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DEPARTMENT OF OVERSEAS TRADE

Economic Conditions in EGYPT

July, 1933

REPORT

BY

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DEPARTMENT OF OVERSEAS TRADE

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The Department is represented in Egypt by Mr. G. H. Selous, O.B.E., Commercial Secretary, assisted by Mr. L. B. S. Larkins, Commercial Secretary, The Residency, Cairo.

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Particular attention has been given to the commercial side of consular work since the re-organisation of the service. In certain countries where no Commercial Diplomatic Officer is stationed the senior Consular Officer undertakes duties of a similar character.

Further information regarding the above services can be obtained on application to the Department of Overseas Trade, 35, Old Queen Street, London, S.W.1.

Members of United Kingdom firms are urged to call upon the Department's representative abroad when they visit an overseas country. It is also important that they should make a point of their representatives abroad keeping in close touch with the Department's officers.

NOTE.

It should be understood that the views expressed in annual reports are the views of the officers themselves, and are not necessarily in all respects those of the Department.

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COMMERCIAL SUMMARY

Area.—About 1,000,000 sq. kilometres, of which some 32,000 sq. kilometres are cultivable.

Population.—1927 census, 14,168,756; (including about 200,000 Europeans).

Language.—Arabic, English, French, Greek and Italian are also in common use in Commercial circles. Catalogues for reference by Egyptian merchants should be in Arabic and English.

Money.—£E. (Egyptian Pound) = P.T. (piastres tariff) 100 = 1,000 milliemes = £1 0s. 6½d. A dollar = a tallari = P.T. 20 = 4s. 1½d.

Rate of Exchange.—Average 97 5/16 piastres to the £ sterling during 1932.

Index Numbers.—Index number of average cost of living for native clerks, artisans and labourers earning £E.3 to £E.8 per month, over the whole of Egypt, 138 in 1931, and 132 in 1932.

Principal Weights and Measures.

- 1 cantar = 100 rotls = 99.0493 lbs.
- 1 rotl = 144 dirhems = 0.9905 lbs.
- 1 oke = 400 dirhems = 2.75137 lbs.
- 1 heml = 200 okes = 550.274 lbs.
- 1 ardeb = 96 kadahs = 43.455 gallons or 5.444 bushels.
- 1 keila = 8 kadahs = 3.63 gallons.
- 1 rob = 4 kadahs = 1.815 gallons.
- 1 kadah = 1/96th ardeb = 3.63 pints.
- 1 feddan = 24 kirats = 5024.16 sq. yards or 1.038 acres.
- 1 cantar of unginned cotton = 315 lbs.
- 1 cantar of ginned cotton = 100 lbs.

Approximate weight of an ardeb of various seeds:—

Wheat, 150 kilos. Barley, 120 kilos. Beans, 155 kilos. Maize, 140 kilos. Lentils (whole), 157 kilos. Lentils (split), 132 kilos.

Note (1):

- 1 bale of steam-pressed cotton = 7.75 cantars.
- 1 bale of hydraulically pressed cotton = 8.5 cantars.
- 1 ardeb of cotton seed = 267 lbs.
- 8 ardebs of cotton seed = 1 ton.
- 3 bales of steam-pressed cotton = 1 ton 85 lbs.

Note (2):

In Egypt liquids are often bought and sold by weight and there are no specific Arabic liquid measures.

1 oke equals 1½ litres.

					1931 £E.	1932 £E.
Total Imports	...	...	...	...	31,528,167	27,425,691
Principal Imports—					1931 £E.	1932 £E.
Flour of wheat and maize	...	...	...	...	1,166,757	515,902
Kerosene	...	...	...	...	564,092	719,477
Wood for building	...	...	...	...	785,196	758,803
Coal	...	...	...	...	1,398,666	1,164,239
Fertilisers	...	...	...	...	1,800,384	1,652,147
Piece goods of pure cotton	...	...	...	...	3,261,211	3,434,315
Wool, piece goods	...	...	...	...	558,786	587,159
Silk, piece goods	...	...	...	...	820,932	882,888
Iron, cast-iron and steel	...	...	...	...	2,022,818	1,510,189
Tobacco leaf (Tombac excluded)	...	...	...	...	799,862	697,583

						1931 £E.	1932 £E.
<i>Total Exports</i>	...	...	...	...	...	28,073,630	26,987,417
<i>Principal Exports.—</i>						1931 £E.	1932 £E.
Eggs	...	...	...	...	...	321,807	518,342
Cotton-seed	...	...	...	...	...	1,437,030	1,336,358
Cotton-seed cake	...	...	...	...	...	790,511	799,176
Onions	...	...	...	...	...	716,909	1,260,825
Cotton, raw	"	Sakellaridis	"	...	...	5,777,715	5,743,544
"	"	Ashmouni	"	...	...	11,492,144	9,318,831
"	"	Pilion	"	...	...	842,969	979,304
"	"	Other	"	...	...	1,575,241	1,825,015

Railway Mileage, 1931-32.—Open for traffic, 3409 kilometres.

Mercantile Marine.—

1931.—Steamships	37	Net Registered Tonnage	...	...	18,463
1932.—	46	"	...	...	27,349
1931.—Sailing vessels	185	International	"	...	11,382
1932.—	183	"	"	...	11,481

Length of Canals and public irrigation drains is 26,782 kilometres, of which 1,687 kilometres are navigable.

HINTS FOR COMMERCIAL VISITORS

Note : A copy of a pamphlet entitled, "Hints to Commercial Visitors to Egypt," may be obtained by British firms on application to the Department of Overseas Trade. This pamphlet includes information in regard to climate, travel routes, hotels, cab fares, railway travelling, etc.

REPORT ON ECONOMIC CONDITIONS IN EGYPT, JULY, 1933

I.—ECONOMIC AND FINANCIAL SITUATION

INTRODUCTION

General.—Since September, 1931, when circumstances beyond her control compelled the United Kingdom to abandon the gold standard and more particularly since the Unified Debt Judgment, a certain amount of agitation in favour of the divorce of the British and the Egyptian currencies has been noticeable in Egypt—though by no means widespread. Official, financial and business circles, however, fully realised the advantages of a fixed rate of exchange between the currency of Egypt and that of the country to which she sells more than one-third of her total exports, and there can be no doubt that the relief from excessive exchange fluctuations which the continued linking to sterling has meant to Egypt as compared with the less favourable conditions ruling in many other countries (not excluding some on a gold basis) has made a strong impression on the country as a whole.

Undoubtedly, the most important internal problem has been that of agricultural indebtedness. The enormous fall in prices in 1931 and early 1932 greatly embarrassed cultivators by diminishing their means of payment. In many cases they had borrowed capital either for the purchase of their land or for its development and improvement by means of loans repayable by annuities extended over a number of years. Moreover, the majority of such loans were incurred at a time when prices were at a much higher level, with the result that the regular payment of annuities to-day during a period of low prices presents great difficulties.

The Egyptian Government has very commendably dealt with this situation in as efficient a manner as circumstances allowed. A detailed description of the measures taken will be found under the heading "State Aid to Cultivators." Whilst, however, the necessity for such intervention must be fully appreciated, it is to be hoped that the debtors may not be led by the present useful and beneficent intervention on the part of the Government to relax their own efforts on the assumption that the former will always save them from their difficulties.

Nevertheless, the situation of the small cultivator, representing as he does, the basic social and economic unit of an essentially

agricultural country is of immense importance to Egypt. The prevalence throughout Egypt of usury (which the original Agricultural Bank had been designed to remove) was only partially checked by the operation of the Five Feddan Law, which whilst in a large measure stultifying the activities of the bank, failed to achieve in compensation the complete liberation of the small holder from the trammels of the usurer. Whatever the merits or demerits, however, of the Five Feddan Law, at least it diminished the borrowing powers of the small holder and enhanced the risks of the money-lender and to this extent exercised a definite power for good.

It was a fact that the number of land expropriations, great and small, resulting from the inability of landowners to meet their liabilities had been alarmingly great in 1931 and 1932 and, consequently, the measures taken by the Egyptian Government during the period under review to relieve distress must, whatever their latent dangers, be held to constitute a very necessary and material contribution to the general welfare of the Egyptian people.

In view of the fact, however, that average prices of arable land realised at forced rates in the Courts declined from £E.63.5 per feddan in 1930 to £E.51.9 in 1932 (a drop of 18.3 per cent.), it will be realised that the real estate situation was (and is) in any case far from favourable. In this connection the following figures showing the volume and value of sales in the Courts during the last three years would appear to indicate that there was a rise in land values between 1931 and 1932; such, however, was not the case as there was actually a decline in value of probably about 20 per cent. The explanation can only be that the lands sold in 1932 were of a higher quality than those sold in 1931.

			Cases	Feddans	£E.	Average per Feddan £E.
1932	...	...	1,095	35,117	1,823,547	51.9
1931	...	...	921	36,044	1,400,106	38.8
1930	...	...	860	21,916	1,392,122	63.5

The best lands of to-day are valued at £E.80/90 per feddan and scale down to £E.15/20 per feddan for lands only moderately cultivated.

According to official estimates, the mortgage debt of Egypt stands at about £E.35,000,000, a relatively low figure in comparison with the total value of land which in 1931 (including loans for land in trust) was estimated to be between £E.5/600,000,000.

Unemployment, though a problem in Egypt as elsewhere, is, nevertheless, far less acute than is the case in many other countries, and a balanced State budget, notwithstanding commitments of the Reserve Fund, indicates a not unsatisfactory financial situation.

From the activity of the local Stock market (referred to under the heading "Stocks and Shares") it would appear that there is no lack of ready money available for investment, a sign, of course, of bad times for trade.

While the foregoing remarks may serve to outline the general economic depression through which the country as a whole is passing, account must none the less be taken of the other side of the picture which undoubtedly shows Egypt—as suggested above—to be in a comparatively sound financial position, for any country with a population of some fifteen millions and a total National Debt of only £E.98,000,000 (of which about 73 per cent. is held in Egypt) in these days of huge debts and world depression can hardly be described as seriously impoverished, albeit passing through temporary difficulties.

That ready money for investment is comparatively plentiful is evidenced by the public's anxiety to take up the Egyptian Government's issue of £E.2,500,000 worth of $4\frac{1}{2}$ per cent. Treasury bonds in early February, 1933, when the issue was heavily over-subscribed, the total actually applied for being approximately seven million pounds.* This loan constituted the first public issue in Egypt for forty years (excluding the indemnities payable to foreign officials in Government bonds under the Indemnity Law), and indicated the interesting possibility of the creation of a money market in Cairo.

The service of these Treasury bonds, set off in part by recoveries from clients of the banks on whose behalf the bonds were issued, is not provided for in the budget, but is to be a charge on the Reserve Fund. In 1933-34 the service of the bonds will require £E.540,000, while the optimum recovery can only amount to about £E.225,000. The highest figure which will fall to be debited to the Reserve Fund will be about £E.2,000,000 in 1943; the deficit will not be recouped until about 1952. These figures and dates will, no doubt, be exceeded if the debtors to the banks fall into arrears.

The guaranteed bonds ($3\frac{1}{2}$ per cent. debentures) of the Agricultural Bank of Egypt to a total value of £E.2,680,000 were reimbursed on the 1st June, 1933, with reservation of the rights of holders in the case of the gold payment question being decided against the bank in a law suit now pending.

National Thrift.—A reliable indication of the progressive stability of the country in spite of the economic depression from which it has suffered may be found in the healthy situation of the Post Office Savings' Bank. Whereas in 1901 the number of Post

* Exclusive of banks and corporations, private applicants totalled upwards of 600, of whom nearly 400 subscribers were for amounts varying from £E.1 to £E.500, whilst over 150 were for amounts ranging between £E.500 and £E.1,000. Very little foreign money was attracted, only £E.70,000 of stock being applied for from abroad.

Office Savings Bank accounts amounted to only 6,740 representing deposits totalling £E.47,502, the number of accounts at the close of May, 1933, had reached 369,763 representing a value of deposits of no less than £E.3,229,165. In 1930/31 the number of accounts was 247,722 comprising deposits of £E.1,125,632, and 1931/32 345,663 comprising deposits of £E.1,760,965.

The following figures indicate the position of Post Office Savings Banks' funds at the close of May, 1933 :—

	£E.	£E.
(1) Capital (2) + (3)	3,229,165	
(2) Value of shares and bonds	2,739,428	
(3) Cash balance (4) + (5)	489,737	
		3,229,165
(4) Reserve (5% of capital) (6) + (7) + (8)	161,458	
(5) Sums earmarked for investment	328,279	
		489,737
<i>Reserve Fund</i>		
(6) Reserve destined to cover depreciation	77,107	
(7) Treasury bonds	77,100	
(8) Cash balance	7,251	
		161,458

Gold.—In order to check the profiteering in gold consequent upon the widespread realisation by the Fellaheen of their gold ornaments and hoarded coin while at the same time maintaining the embargo on the private export of this metal, the Egyptian Government fixed a rate of purchase corresponding to foreign gold quotations and bought at these prices. The Government, however, reserved to themselves the right to export gold within a given annual value, the amount exported not to exceed to any extent the total exports in normal years. In this manner the Government prevented exploitation of the masses while at the same time controlling exports within limits of safety.

As at the close of June, 1933, the Egyptian Government had purchased gold to a value of £E.4,920,867 of which £E.1,833,486 had been exported* and £E.63,285 earmarked for export, leaving a total in hand of £E.3,024,077.

Judging by the large quantities of gold which have been offered for sale each day, it is believed that there must still be a great deal of the metal hoarded up throughout the country. Whilst, however, it is a matter for congratulation that this form of national wealth has passed into the hands of the Government rather than into the hands of speculators, it is a matter for regret that circumstances have forced the Fellaheen to disgorge in part or in whole the contents of their *bas de laine*, sure evidence of the hard times through which they have been and are passing.

* Mostly to United Kingdom.

Balance of Trade.—Notwithstanding the encouragement and stimulus given by Government in recent years to the creation and development of local industries, Egypt (as is but natural in a country so rich in agricultural wealth) looks for the supply of the greater part of her manufactured requirements from abroad. An examination of the statistics appended to this report will show that Egypt is almost entirely dependent upon her agricultural resources for the means of payment for her manufactured requirements, and it is an indisputable fact that her capacity to pay remains closely linked with the value of her cotton sales.

The balance of import and export trade had generally been in favour of Egypt for a number of years up to 1929-30, and, taking into consideration the value of transit trade, again favoured Egypt in 1932-33 (as indicated later in this report), in addition to which the fact must not be overlooked that the elements of the balance of account other than those embodied in the Customs returns are far from negligible and probably compensate very largely for any deficit in the commercial balance of trade. (See section "Imports and Exports").

Egypt, in fact, receives each year numbers of visitors and tourists and the country further benefits considerably from the presence of His Majesty's Forces, and, whilst these advantages are to some extent set off by the numbers of Egyptians and foreigners resident in Egypt who go abroad to escape the hot summer months, it is the general opinion that Egypt is a substantial gainer on balance in this branch of invisible commerce.

On the other hand a part of the profits of foreign banks established in Egypt goes abroad, whilst insurance, with few exceptions, is a foreign monopoly. Egypt has also an external public debt, but she is also a creditor of foreign countries.

To sum up, there appears good reason to believe that the balance of total accounts, visible and invisible, has been in favour of Egypt for many years, a state of affairs which has enabled her to repurchase both a large part of her own debt and also shares of Egyptian companies previously held abroad and in addition to acquire a certain amount of foreign securities. The importation of securities is an incontestable fact, the value of which, however, it is impossible* to estimate, but there can be little doubt that these must run comfortably into eight figures of pounds sterling.

STATE FINANCE

Revenue.—The 1932-33 budget provided for an expenditure of £E.37,300,000 representing some £E.2,400,000 more than the annual average disbursements over the previous ten years. This figure involved a reduction of rather over £E.1,500,000 on the budget of 1931-32 while estimated revenue was £E.1,800,000 below

* Since there is no income tax.

the previous budget, the expected surplus being reduced from £E.432,000 in the 1931-32 budget to £E.189,000 in the 1932-33 budget.

In spite of recourse to new sources including the imposition of a surcharge of 1 per cent. *ad valorem* on all imports, revenue failed to justify expectations in 1932 and showed signs of shrinking in all but the principal items. The Egyptian State Railways' encashments too declined alarmingly during the early months of the year, but successive reductions in rates, assisted in some degree by a drastic campaign against motor competition, and rigid economy by purchasing departments combined to reduce the deficit to about 4 per cent. by the close of the year. Similarly, Customs receipts, viz:—£E.13,748,907, diminished with the reduced value and volume of foreign trade, the decrease being £E.393,068, which, however, represented a surplus of £E.37,000 above the budgetary estimates. With the exception of the excise duty of PT.100* a ton imposed on rice in July, 1932, the numerous increases made in the tariff aimed at the protection of local industries rather than at the maintenance or augmentation of revenue.

The lower rate for Treasury bills in London, the purchase of an additional £E.2,400,000 gold early in 1932 to provide cover for the note issue, and the lower dividend derived from British War Loan after conversion have combined to reduce the Egyptian Government's income derived from the issue of notes† and from interest on investments.

In spite, however, of the general shrinkage in revenue, the drastic economies introduced into all purchasing departments permitted the Egyptian Government to announce in Parliament early in 1933 that an economy of about £E.1,000,000 under the 1932-33 estimates had been achieved. This sum, as will appear hereafter, is to be devoted to the relief of the tax payer of modest means.

Reserve Fund.—The financial year 1931-32 ended in a budgetary surplus of about £E.768,000, which, whilst passed to the Reserve Fund, was offset by the debiting against that Fund of £E.608,204 lost on the sale of surplus silver coin and of £E.4,719,263 on the liquidation of cotton stocks. The Fund, reduced by these transactions to £E.33,391,257, became more liquid in the early part of the year through the reduction of Government stocks of cotton, but the execution of the later schemes to relieve the agricultural crisis re-engaged the Fund as will appear hereafter.

* On which a drawback of PT.50 a ton was allowed on export. The excise due was suspended on the 21st June, 1933.

† The note issue, which amounted to £E.19,538,118 on December 31st, 1931, stood at £E.18,751,147 on December 31st, 1932. The gold cover for currency had been increased from £E.3,802,000 to £E.6,240,583 (representing 31 per cent. of the issue) by purchase of gold in the bazaars.

In April, 1932, the liquid part of the Fund stood at £E.18,203,575 and the frozen part at £E.15,187,682 (See Appendix XXXVI).

The liquid portion was principally composed as follows :—

						£E.
Egyptian Public Debt Coupons	...	...	...	...	...	9,358,033
British War Bonds	...	...	...	...	...	6,786,400
Other Securities	...	...	...	...	...	540,435
Total £E.						16,684,868*

* Stock Exchange quotations on the 28th April, 1932, for these securities represented a higher value by some £E.1,400,000.

Government cotton stocks which stood at 2,541,857 cantars on the 31st December, 1931, had fallen to 1,112,463 cantars on the 31st December, 1932.

The Egyptian Government converted the whole of their holding of British War Loan, but subsequently sold out over a million pounds worth which they replaced by other securities bearing a higher rate of interest.

Owing to the fluctuations in value of certain of the securities forming the Reserve Fund, the Egyptian Government opened a special account for the protection of the latter, into which is to be paid all interest receipts exceeding 4 per cent., the intention being to guard against any eventual loss from such fluctuations. As a result of the various commitments undertaken by the Egyptian Government, to which reference is made under the heading "State Aid to Cultivators and Landowners," the minimum level of the liquid part of the Reserve Fund had further declined by April the 15th, 1933, though, of course, it should be noted that such commitments are in some cases spread over a number of years and are liable to partial liquefaction as returns come in.

The following table shows the fluctuations of the Reserve Fund during the three years ending April, 1932, together with figures showing its liquid and frozen portions :—

Date	Total Reserve Fund £E.	Frozen £E.*	Liquid £E.	Budgetary Additions or Reductions
Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
April 1930	42,852,663	26,532,663	16,320,000	Approximate Budgetary surplus credited to Reserve Fund. £E.3,000,000
April 1931	37,950,791	19,750,509	18,200,282	Budget deficit debited to Reserve Fund. £E.2,638,174
April 1932†	33,391,257	15,187,682	18,203,575	Budgetary surplus credited to Reserve Fund. £E.779,000

NOTE.—* It must be clearly understood that the April, 1932, total in column 3 is susceptible of reduction in proportion as the component parts thaw. Such reduction will, naturally, go to swell the liquid figure.

† Latest figures available.

National Debt.—The following is the situation of the Egyptian Public Debt :—

The nominal total debt (sterling) as at April the 1st, 1933, was approximately £97,893,400 (of which about £16,100,000 is held by the Egyptian Government) divided as follows :—

<i>Consolidated Debt.</i>				<i>(Sterling).</i>
Guaranteed Loan (3%)				
(as at April 1st, 1933)	...	...		£3,395,600
Privileged Loan (3½%)				
(as at March 14, 1933)	...	...		£30,633,980
Unified Debt (4%)				
(as at March 14, 1933)	...	...		£55,250,460
				<u>£89,280,040</u>
<i>Egyptian Tribute Loans.</i>				
Turkish Government Loan				
(4%) of 1891 ...	...	...		£3,602,920
Turkish Government Conversion				
Loan (3½%) 1894 ...	...	...		£5,117,040
				<u>£8,719,960</u>
Total	...	...	...	<u>£98,000,000</u>

The service of the Consolidated Public Debt and the Egyptian Tribute Loans in 1932-33 was as follows :—

Guaranteed Loan	...	...	...	£E.	307,125	
Preference	...	...	...	"	1,045,384	
Unified	...	...	...	"	2,154,768	
						£.E. 3,507,277
Ottoman Debt 1891...	...	...	...	£E.	273,608	
" " 1894...	...	...	...	"	321,018	
						£.E. 594,626
Total Service of the Debt required for the year 1932-33 was	...					£E. 4,101,903
<i>Non-Consolidated Loans.</i>						
<i>Guaranteed Bonds (Annuities)</i>						
Keneh-Assouan Railway	...	...	...	£E.	24,750	
Port Said-Ismailia Railway (4%)	...	...	...	"	19,931	
Suez Pass Dredging Works (4%)	...	...	...	"	1,600	
Helwan Railway (4%)	...	...	...	"	5,238	
						£.E. 51,519

The total service of the whole Public Debt of Egypt comprising Consolidated Loans, Tribute Loans, and Non-Consolidated Loans was estimated in the Finance Committee's Note on the Budget of 1933-34 at £E.4,348,534 for 1932-33. The service of the whole debt in 1933-34 is estimated in the same Note at £E.4,195,075, the drop being almost wholly accounted for by the fact that the last instalment (£E.153,295) due on the Nile Reservoirs Loan was paid on January the 1st, 1933.

Contingent Liabilities.—There is also the city of Alexandria 4 per cent. Municipal Loan of 1902 amounting to £399,300.

National Debt Coupons.—After two adjournments judgment in the above case was given on January 17th, 1933, in favour of the French and Italian Commissioners of the Caisse de la Dette, and the Egyptian Government was ordered to pay the coupons in gold.

It was noticeable, however, that no provision was made in the budget for 1933-34 for payment of the coupons in gold.

In this connection it should be remarked that the Crédit Foncier Egyptien was condemned by the Mixed Court of First Instance in a judgment similar to that delivered in the Egyptian Debt case to pay interest on its debentures in gold and that, consequently, as the local bank is one of the largest holders of Egyptian Government bonds, it stands to lose both ways if the Egyptian Government continue to pay interest in paper. It is, therefore, to be hoped that some equitable solution may be found to this thorny problem.

EGYPTIAN STATE BUDGET, 1932-33

The most interesting items of estimated expenditure during the above year were the following :—

Ministry of Finance (£E.3,168,840).—

Central Administration (£E.659,229). Stationery and office equipment, £E.61,337.

Survey Department (£E.549,907). — Iron marks for land registration scheme £E.38,000; iron shelving £E.800.

Government Press (£E.114,280).—Machines and instruments £E.750.

State Domains Administration (£E.378,742).—Purchase of livestock, £E.6,000; purchase of mechanical plant, agricultural machinery, carts, harness, sacks, etc., £E.5,525.

Customs Administration (£E.349,987).—Uniforms and clothing, £E.3,525; stores (including weighing machines £E.247) £E.6,755; new works, £E.4,095.

Coastguards and Fisheries Service (£E.269,612).—Uniforms and clothing, £E.7,157; fuel coal, £E.9,540; petroleum for launches, £E.1,097; benzine for launches and cars, £E.3,077; mazout for cruisers, £E.7,800.

Department of Mines and Quarries (£E.26,448).—New works (researches) £E.500.

Chemical Department (£E.98,544).—Operation of Government Refinery, £E.50,100 (including purchase of crude oil, £E.25,000); stores (chemicals and apparatus £E.3,180) £E.3,877.

Department of Commerce and Industry (£E.114,283).—Weighing and sorting machines, etc., £E.1,400; mechanical and hand looms for sale to the smaller manufacturers and purchase of fine raw material for cloth making, £E.5,000; experimental looms and machines, £E.800; materials and machines for finishing cloths, £E.1,200; model glass factory equipment, £E.1,155.

Ministry of Education (£E.3,180,633).—

Central Administration (£E.3,116,171).—Uniforms, clothing and linen, £E.3,450; furniture, £E.7,600; fuel, £E.5,405; class books, school materials and copyright of books, £E.66,728; scientific apparatus, £E.18,692; kindergarten materials, £E.3,020; blind school materials, £E.1,200; materials for manual work and horticulture, £E.2,784; materials for needlework, £E.2,672; materials for domestic science, £E.1,532; materials for games and physical training, £E.1,200; medicines and medical equipment, £E.1,844; cleaning materials, £E.2,496; typewriters, £E.936; duplicating machines, £E.664; raw materials for Trades Schools, £E.34,200; tools and machines, £E.11,400; fuel, £E.5,405; to complete equipment for laboratories, £E.11,000.

Ministry of the Interior (£E.4,517,909).—

Central Administration (£E.1,261,506). — Photographic materials, £E.800.

Department of Municipalities and Local Commissions (£E.558,500).—New works, £E.13,500.

Police (£E.1,300,042).—Launch for Port Said, £E.500; coal, etc., for fire engines, £E.2,600; metal number plates, £E.4,000; stores, £E.10,000; clothing and equipment, £E.60,000; ammunition, £E.2,175.

Ghaffir Service (£E.1,561,893).—Clothing and equipment, £E.9,517; ammunition, £E.4,523.

Prisons Department (£E.424,468). — Clothing, £E.5,571; sanitation, £E.1,398; medical instruments, £E.1,500; tools and machinery, £E.3,067; raw materials, £E.64,255; liquid fuel, £E.2,538; coal, £E.8,224; tools and spare parts for cotton spinning machine, £E.1,960.

Department of Public Health (£E.1,387,686).—General stores, £E.233,849; uniforms and clothing, £E.17,168; new works (equipment and extension of hospitals, etc.) £E.30,270.

Ministry of Public Works (£E.6,579,753).—The many and varied items under the above estimated expenditure comprise such a large proportion of canal maintenance works and land expropriations, that it is only proposed to select as examples a few of the more interesting purchases of equipment for the purpose of this report :—

*Irrigation Department (£E.4,680,535).***Works spread over several years.*

	Grant for 1932 £E.	Estimated expenditure up to April 30th, 1932 £E.	Amount required to complete work £E.
<i>North Delta Scheme</i> —Irrigation, Drainage and Power pumping Stations (Buildings, machinery and roads) in Lower Egypt ...	370,000§	1,679,768	3,732
Electrical, Mechanical and Heat Laboratory	8,000	—	2,000
Foua Station (including £E.1,500 for machinery)	17,000	—	48,000
Maintenance of boats and floating plant	43,929	—	—
Motor cars, motor cycles, etc. ...	13,071	—	—
<i>Heightening of the Assouan Dam</i> ...	1,076,538	1,599,630	2,037,423
of which :—			
Buildings	8,500	45,500	—
<i>Projects for the strengthening of the Assiut and Delta Barrages</i> ...	150,000†	—	2,700,000
<i>Construction of the Gebel El Awlia Dam</i> †	35,000	1,000,000	4,465,000
<i>Conversion of the Isolated Basins in Upper Egypt (Machinery £E.160,000)†</i>	250,000	523,484	97,675

Mechanical and Electrical Dept. (£E.239,174).

Fuel (oil and coal)	45,381	—	—
<i>New Works</i> (£E.36,096) ...			
of which :—			
Plant and machinery for Govern- ment workshops	1,596	2,319	—
Replacement of steam plant at Mex pumping station by internal combustion engines and replace- ment of pumps by others of larger capacity	4,500	—	—
Electric station at Tura Convict Prison	30,000	—	25,000

* of which £E.3,111,220 for new works.

† these credits were not used in 1932-33.

‡ orders obtained by a Continental firm.

§ orders obtained by United Kingdom firms.

State Building Dept. (£E.703,555).

New Works (£E.468,116).—Cairo Mixed Court Building,
£E.60,000 Fouad Ier Hospital, £E.70,000.

Physical Dept. (£E.61,185).—Scientific instruments and chemicals, £E.4,350; weights and measures £E.3,474.

Tanzim Dept. (£E.681,566).—Basalt £E.15,000; bitumenous materials, £E.26,635; cement, lime and homra, £E.3,500; steam rollers, £E.20,000; upkeep and repairs of vehicles, motor cycles, etc., £E.30,930; weights and measures and technical instruments, £E.150.

New Works (£E.78,550).—Vehicles for scavenging and watering service,* £E.25,850; replacement of cars, tractors and trailers, £E.3,650; irrigation machine, £E.1,000.

Waterworks Service (£E.38,914).—Fuel (coal and oil) £E.4,532; pipes and filters,* £E.10,500; reservoir, £E.1,000.

Main Drainage Dept. (£E.180,419).—Fuel (oil and coal), £E.18,926; oil, £E.1,093; tools, implements, etc., £E.1,754; cement, pipes and manhole covers £E.1,919.

New Works (£E.97,100).—Of which :—Diesel generating set, £E.1,500; renewal and repairs of boilers £E.4,000; reconstruction and enlargement of Main Collector, £E.10,000 (£E.106,500 to complete); other drainage schemes £E.25,000 (£E.187,500 to complete); system for purification of Sewage, £E.5,000 (£E.40,000 to complete).

Supplementary Credits.—A supplementary credit was approved in March, 1933, in favour of the Mechanical and Electrical Department for the sum of £E.35,000, to cover disbursements on running expenses in respect of the North Delta Pumping Stations for the second half of the year owing to the fact that the estimates had originally provided for only a half-year credit in the belief that the works would not be completed before November whereas a number of the stations began to function in September. Similarly no credit had been included in the original estimates for disbursements on the stations of El Atf and Belkas in the belief that these works would not be completed before the close of the year, whereas, in fact, they came into operation on August the 15th and November the 1st respectively.†

Owing to the rapid progress made in the execution of the North Delta and Upper Egypt electrification works Parliament subsequently approved in April, 1933, a further supplementary credit for the Irrigation Department amounting to £E.1,271,630 to be apportioned as follows :—

	£E.
North Delta Pumping Stations	285,000
Upper Egypt Isolated Basins	115,000
Indemnities and expenditure necessitated by the Heighting of the Assouan Dam	871,630

* Mostly from United Kingdom.

† The £E.35,000 covered all items alluded to in the paragraph.

Ministry of Agriculture (£E.652,087).—Selected seed, £E.80,000; drugs, instruments and balances, £E.2,298; other apparatus, £E.7,104; Agricultural machinery, £E.1,000; medicines and chemicals, £E.9,912.

Ministry of Communications (£E.6,423,833).—

Central Administration (£E.173,217).—Subventions to Reuters Agency, Misr Airworks, Havas Agency, Tourism, Congresses, etc., £E.19,192.

New Works (£E.25,934).—Motor cycles* (combination), etc., £E.1,984; motor cars, £E.4,100; provision of Wireless Receiving Station at Almaza aerodrome to Central Transmitting Station at Giza, £E.900;* erection of a third mast at Giza Wireless Station, £E.1,350;* lighting installation at Almaza areodrome, £E.2,000.

Egyptian State Railways† (£E.4,024,985).

The following were the estimates for the *Egyptian State Railways* but so drastic were the economies effected owing to decline in receipts that a great portion of the credits were not used. A summary of the main purchases effected appears under the heading Egyptian State Railways Telegraphs and Telephones.

Engineering Dept. (£E.728,509).—

Maintenance and Renewals of Permanent Way £E.172,500

„ „ „ „ Bridges £E.41,000

„ „ „ „ Signals £E.52,700

Minor „ New Works, £E.3,000; uniforms, £E.1,300.

Locomotive Department (£E.1,251,082).—Fuel (coal mostly) £E.460,500; oil, tallow, etc., £E.22,500; maintenance and renewal of engines, £E.210,000; maintenance and renewal of machinery, tools and plant, £E.32,700; lighting service, £E.46,100.

Carriage and Wagon Department (£E.331,398).—Cleaning and oiling, £E.13,000; maintenance and renewal of vehicles, £E.196,700; maintenance and renewal of machinery, tools and plant, £E.17,600.

Traffic Department (£E.841,595).—Uniforms, £E.10,000.

New Works (£E.302,500).—The following sums under this heading which are allocations in most cases to works spread over several years are additional to those chargeable to the ordinary budget for New Works :—

Out station electrical lighting, £E.3,200; track, £E.12,000; bridges, £E.6,000; signals, £E.19,800; wagon weigh bridges, £E.5,000; road bridges, £E.20,000; Abu Zabal Workshop, £E.26,670; remodelling of stations, £E.39,000; doubling of track, etc., £E.26,000; Qena-Kossier Line, £E.2,000‡; Cairo-Suez Line, £E.30,000; railways museum, £E.2,000.

* Orders placed in the United Kingdom.

† Details of main purchases are shown under this heading.

‡ Not used.

Egyptian State Telegraphs and Telephones* (£E.766,349).—Maintenance and renewal of lines, £E.82,800, and special works, such as substitution of automatic for manual exchanges, etc.

New Works (£E.144,430).—Works sanctioned for the two years 1932-33 and 1933-34, £E.24,000; additional subscribers' equipment, £E.11,000; cables, £E.12,000; plant and tools, £E.1,000.

Works Begun in Previous Years (£E.109,830).—Comprise renewal of lines, new buildings, apparatus, cables, etc.

Works to be begun and completed in 1932-33, (£E.6,600).—Replacement of obsolete equipment and increase of exchange capacity, etc.

Post Office (£E.689,369).—Postal equipment, £E.6,327; uniforms and clothing, £E.6,907; transport of mails, etc., £E.150,910.

Ports and Lights Administration (£E.247,303).—Uniforms and clothing, £E.2,164; fuel (oil and coal), £E.13,379; wood, oil, ropes, iron, steel and various stores, £E.8,947; upkeep, repairs, renewals, etc., floating craft, lighthouses, and etc., £E.24,500; paving works, £E.6,000.

New Works (£E.52,625).—Roads and walls, £E.1,160; strengthening Rosetta Lighthouse, £E.4,000; subterranean high tension line, £E.1,000; machinery for workshops, £E.2,300;† lighting of Alexandria Harbour and electrification of shops, £E.10,000.‡

Works begun in Previous Years.—Renewal and repairing of dredgers and of floating and fixed plant, £E.11,000; new jetties, £E.12,070; renewal and construction of pontoons, £E.4,055; floating plant and buoys, £E.1,000.

Roads and Bridges Department (£E.522,480).—Maintenance of roads and bridges and extensions, £E.148,900.

New Works (£E.320,650).—Renovation and reconstruction of bridges, £E.19,000.

Works begun in Previous Years.—Construction and widening of roads, £E.8,650; Kasr-el-Nil and Benha bridges, £E.290,000 (£E.19,250 required to complete). Construction of platforms on Edfina Bridge, £E.3,000.

Ministry of War and Marine (£E.1,824,929).—

Central Administration (£E.1,598,184).—Clothing and equipment, £E.77,712; munitions, £E.30,000; instruments and

* Details of main purchases are shown under this heading.

† Mostly from the United Kingdom.

‡ Pumps, motors, switchgear, transformers and control gear from the United Kingdom (£E.6,213). Feeder cables, etc., from Belgium (£E.5,693).

medicines, £E.3,650; mechanical transport, £E.13,000; remounts, £E.6,515; engines for drainage and light, £E.3,500.

Frontiers Administration (£E.226,745).—Uniforms and clothing, £E.4,038; coal, £E.1,792; camels, horses and mules, £E.1,400; stores, £E.9,324; cars, apparatus and mechanical instruments, £E.3,006; Condensers, £E.11,906.

Service of the Public Debt (£E.4,348,534).—

EGYPTIAN STATE BUDGET, 1933-34

The State budget for 1933-34 provides for estimated revenue amounting to £E.32,068,000 (a reduction of £E.5,425,000 on the 1932-33 budget) and expenditure of £E.32,068,000 a decrease of £E.450,175 on the previous budget, or £E.602,621 if account is taken of the reductions in the budget annexes as indicated in the following table:—

	Salaries wages and allow- ances	General expenses	New Works	Other Headings	Total
	£E.	£E.	£E.	£E.	£E.
1932-33 Budget	14,711,227	9,548,938	5,087,951	7,961,523	37,309,639
Deduct					
Credits for the Railways, Tele- graphs & Tele- phones ...	2,301,645	2,042,889	446,930	—	4,791,464
	12,409,582	7,506,049	4,641,021	7,961,523	32,518,175
Budget estimates for 1933-34 ...	12,231,144	7,326,597	4,675,933	7,834,326	*32,068,000
Decrease (—) or Increase (+) ...	—178,438	—179,452	+34,912	—127,197	—450,175
Add					
Decrease (—) or Increase (+) in the Railways Telegraphs and Telephones ...	—100,572	—140,856	—103,992	+192,974	—152,446
Estimated Budget Total ...	—279,010	—320,308	—69,080	+65,777	—602,621

* Corrected figure after final fixing of the Budget £E.31,979,000.

Reduction in expenditure, though rendered necessary in 1932 by reason of the persistence of the economic crisis with its consequent decrease in receipts, became an even more vital necessity in 1933 owing to the provision to be included in the present budget

for the indemnities payable to owners of sequestrated property in connection with the Assouan Dam heightening contract and for the Gebel El Awlia Dam project, which together amount to £E.2,200,000.

The greatest part of the decrease in estimated revenue, viz., £E.4,742,000 is due to the detachment of the Egyptian State Railways, Telephones, and Telegraphs from the General State Budget to which reference is made hereafter. The remaining £E.683,000 represents the difference between certain decreased receipts (£E.1,379,000) and the increase in certain other receipts (£E.696,000). The principal decreases are to be found in (a) the Government participation in the profits of the Note Issue* (see Appendix No. XXXII) (£E.200,000) owing to the purchase of additional gold cover; (b) the dividends from the securities of the Reserve Fund and interest on current accounts (£E.145,000) resulting, respectively, from the conversion of 5 per cent. British War Loan to $3\frac{1}{2}$ per cent. and the fall in interest on current accounts at the National Bank of Egypt determined by the fall in the Bank of England rate; (c) receipts from the Ghaffir Tax (£E.226,000) owing to the decrease in rents; and £E.610,000 in respect of various receipts and dues. The major part of the last named sum represents the amount foreseen in the receipts under the 1932-33 budget (£E.542,000) and resulting from the liquidation of the transactions relating to the distribution of fertilizers and seed by the transfer of this business to the Crédit Agricole.

Increases in revenue are foreseen in the following directions :—

Customs Receipts—£E.179,000, based on accounts for the year 1932/33, taking into consideration the levy on the receipts from the supplementary dues on tobacco (to cover the Octroi abolished in 1931) viz., £E.150,000.

State Domains	...	...	...	£E.149,000
Cotton Tax	...	...	...	£E.100,000

Expenditure.—The new budget provides for about 10 per cent. reduction under the " General Expenses " (including maintenance and current work), and New Works, with the exception of the Gebel El Awlia Dam project, have been reduced to a minimum.

The necessity to continue the execution of major irrigation works required an increase in credits in this direction of some £E.230,000, though the net increase in respect of " New Works " only amounted to £E.35,000, as reductions made in the credit under this heading were used to meet the irrigation requirements.

Ministry of Public Works (£E.6,814,459).—

1932-33 Budget	...	...	£E.6,579,753
1933-34	„	...	£E.6,814,359

The Budget of this Ministry for 1933-34 provides for an increased expenditure of £E.256,000† in respect of New Works and

* Gold cover of the Note Issue was £E.6,200,000 at the end of May, 1933.

† £E.122,000 for machinery.

irrigation services; £E.98,000 for the general expenses of the Mechanical and Electrical Dept., and £E.67,000 in respect of new works for the Main Drainage Dept.

The increase in the credits for Irrigation Services is apportioned as follows :—

£E.230,000 for New Works } against a saving of £E.108,870 in
£E. 26,000 for Salaries & Posts } respect of " General Expenses."

The increase in the credits for the Mechanical and Electrical Department is mostly in respect of expenditure (£E.88,000) required for the Pumping Stations in the North Delta and Upper Egypt Isolated Basins* which are now completed.

The increase in the Main Drainage Department's budget of £E.100,000 is in respect of the renovation and extension of the old main collector and for the execution of the drainage projects for Rodah Island, Zamalek, and the area between Gizeh and Embaba (West of the Nile).

The credits for New Works under the Irrigation Department are apportioned as follows :—

	£E.
Gebel El Awlia Reservoir	1,000,000
Expenditure in respect of the Aswan Dam Heightening contract	360,000
Indemnities to property holders at Aswan	500,000
Isolated Basins (Irrigation and canalisation)	100,000
Major Irrigation Projects (See below)	850,000
Irrigation Works in Lower and Upper Egypt in respect of which expenditure is extended over a certain number of years	348,000
Projects under examination with a view to the strengthening of the Assiout, Esna, and Grand Barrages. (Research)	30,000
Sudan Irrigation Works	80,000
Miscellaneous Works	167,000
	<hr/>
	3,435,000
Deduct—Credits unlikely to be used	94,000
	<hr/>
Total	3,341,000

The following projected works require a credit of £E.850,000 :—

	£E.	£E.
Projects for Dakhalieh and Charkieh ...	240,000	
<i>Irrigation Department.</i>		
Projects for Eastern Gharbieh	150,000	
" " Irrigation of the Central Delta	82,000	
" " Dessouk	103,000	
" " Behera	55,000	
	<hr/>	
Total		630,000

* See page 24 of the Report dated July, 1931.

<i>Mechanical and Electrical Department</i>			£E.	£E.
Irrigation Station at Fouah	...	...	20,000	
" " " Rosetta	...	...	15,000	
New Pumping station at Saraou	...	...	15,000	
Irrigation Station at Balamoun	...	...	20,000	
New unit for Belkas power station	...	...	25,000	
Workshop for testing electrical equipment, capacity, revolutions, etc.	...	...	3,000	
Current expenditure on North Delta Stations			122,000	
Total			...	220,000
Grand Total			...	850,000

Ministry of Communications (£E.1,429,717).—The only items of interest in the budget of the Ministry of Communications, which is estimated at £E.1,429,717, are the following :—

£E.18,000 in respect of the construction of hangars and other works for the Aviation Services.

Credits for the Departments of this Ministry decreased by £E.226,000, representing the difference between the last payments in respect of the new Kasr El Nil and Benha bridges and the amounts foreseen in the present budget.

The decision to centralise all the Ministry's Workshops and depôts at Alexandria under the control of the Ports and Lights Administration effected a certain saving.

Ministry of the Interior (£E.4,273,160).—

New Works, £E.14,500.

A credit of £E.1,433,892 is allocated to the *Department of Public Health*. The more important projects to be **executed** comprise the following :—

Ophthalmic Hospital at Sammallout.

Ambulance Ophthalmic clinic for Gharbia.

New Wings for the Government Hospitals at Alexandria and Mehalla El Kobra.

3 Ophthalmic Sections for the hospitals of the Markaz (Districts).

Extension of In-patient wards in the Leprosy Hospital at Cairo.

Additional wards in Kasr el Aini Hospital.

The credits also include provision for the transformation of Edfina village Hospital to a district hospital and for 7 other village hospitals to independent institutions.

Municipalities and Local Commissions.—At the time of closing this report no detailed information regarding expenditure under this Department was available. The old system by which the Government advanced funds provided in the budget to Municipal Councils for their capital expenditure on provision of light, water and drains was abandoned in 1931 on account of the financial stringency of the budget. Instead, an arrangement was made with the Banque Misr, in which the surplus funds of all the Municipalities* (amounting then to over a million pounds) are deposited,

* Except the Alexandria Municipality.

that advances should be made out of these funds to such Municipalities as required capital for their projects.

These advances, which are guaranteed by the Egyptian Government, are to be amortised within periods of 30 years in respect of light or water schemes and 41 years in the case of drainage schemes, the Government agreeing to make good any temporary deficit if advances exceed total amount of deposits. Of the £E.630,000 authorised, £E.458,000 had been expended by the end of April, 1933. The Bank may not charge more than 6 per cent. The Government have under consideration proposals for the advance of £E.512,000 for the following purposes :—

£E.	
248,000	For the continuation of light and water projects under execution.
51,000	For light and water schemes under adjudication.
88,000	For new projects.
160,000	For drainage at Zagazig.
137,000	For drainage at Fayoum.

less the unspent balance of advances previously authorised and now surrendered.

Ministry of Finance (£E.3,098,331).—The credits allocated to the Central Administration allow for the suppression of the subvention of £E.24,000 previously granted to the Société Misr pour la Filature et le Tisage du Coton and to the Filature Nationale on the ground that the revenue of these concerns will produce more than 5 per cent. on the capital value.

Among the more interesting provisions contained in this Ministry's estimates may be included the following :—

- (a) formation of an office for the control of transactions affecting the financial and mortgage concerns in execution of the agreements concluded between them and the Egyptian Government for the purpose of averting foreclosure on mortgages on real estate.
- (b) opening of a credit of £E.10,000 for the installation of a rice hulling mill.
- (c) the Department of Commerce and Industry (£E.142,561), the budget of which foresees the expenditure required for the creation of an onion market, for a model dyeing factory, for the cereals and agricultural markets, for model glassworks, for the development of the cotton spinning and weaving section, and for the control of exports of agricultural produce.

EGYPTIAN STATE RAILWAYS

The position of the Egyptian State Railways at the close of 1932-33, though unfavourable in comparison with the operations of previous years, yet undoubtedly compares very favourably with the workings of railways elsewhere. That in spite of severe competition by other forms of transport they were able to earn a return of about 5 per cent. on the cost of the system (£E.26,000,000, as corrected from the 1st May, 1933) is a matter for congratulation.

The policy as pursued in 1931-32 may briefly be summed up as one of facing competition in rates on the one hand and economic working on the other hand, while that followed in 1932-33 was one of continued retrenchment of working costs and suppression of new works. The policy of competitive quotation of rates and fares was also continued, with the result that traffic receipts, as compared with the previous year, declined to the extent of £E.196,000.

The decision to separate the Egyptian State Railways, Telegraphs, and Telephones from the General State Budget is a measure designed to give these services a freer hand, more approximating to a commercial undertaking.

The following brief resumé of past conditions ruling on the Egyptian State Railways may serve to explain the low corrected figure now fixed for capital cost.

General Results of Working.—The abnormalities prevailing during the period 1914/15 to 1930/31 as affecting receipts and expenses vitiate any useful index to development from a comparative point of view with pre-war periods. To take, for example, the year 1920/21, when gross receipts amounting to £E.8,156,000—and representing the absolute peak of earnings—were practically negated by working expenses amounting to £E.8,015,000, the percentage of working expenses to gross receipts was 92.27 per cent. with a return of 0.50 per cent. on capital expended. The financial results of that year alone largely negative the benefit of improvement in the following years.

Development is better gauged by the actual increase in tonnage and passenger traffic as from the year 1919/20, following the cessation of military movements, rather than by figures of receipts derived from heavy appreciation of rates and fares and by figures of expense heavily increased by abnormality of costs and extraordinary incidence.

The Egyptian State Railways suffered financially in a severe degree from the War and after War effects, not the least of which included the high prices paid for American coal and freights during the Great Strike in the United Kingdom.

The burden of restoration of track and rolling stock to pre-War standard largely fell on the Egyptian public by continued retention of the majorated effect on rates and fares to cover expenditure—a measure which had reactionary effect in that in consequence of maintenance of rates and fares at the War period of levels, encouragement was given to private enterprise engaged in road and water transport at rates sufficiently low to divert traffic from the rail and yet sufficiently high to prove remunerative to the promoters.

The year 1931-32 must, therefore, be considered as marking the opening of a new era in the financial history of the Egyptian State Railways. No parallel can be found with progressive conditions as applying in the pre-War periods or with conditions existing to the end of 1930/31.

The problem of traffic development has many new features, created on the one hand by a general depression of trade seriously diminishing total movement and on the other hand by progressive and intensive competition by road and water rapidly encroaching upon and diminishing the quota formerly falling to railroads.

Until, therefore, some fair and workable method of co-ordinating these three means of transport can be formulated, which while protecting the railways at the same time avoids the imposition of oppressive measures governing other means of transport, the future of rail, road, and inland water transport remains obscure.

The following figures show the financial position of the Egyptian State Railways for the four financial years ending April, 1933 :—

	1929-30	1930-31	1931-32	1932-33
Total receipts ...	7,038,892	6,037,705	4,939,030	4,742,873
Working expenses ...	4,076,323	4,077,155	3,623,999	3,273,530
Nett earnings ...	2,962,569	1,960,550	1,315,031	1,469,344
Cost of Line as charged to Capital	34,083,247	34,939,341	35,091,084	35,097,893
Percentage of Nett Earnings ...	8.69%	5.61%	3.75%	5% on Capital cost of Line as agreed upon from 1/5/33.

The capital cost of the Egyptian State Railways as agreed upon on the 1st May, 1933 at the moment of separating this administration financially from the State budget was £E.26,000,000.

The estimates for the year 1933-34 are shown below alongside those for the preceding year. It should be noted that, whilst the 1932-33 railways budget had no distinct position in the Government budget, the 1933-34 one on the contrary has a distinct and separate position by which the rail revenues find the capital expenditure, and then from the surplus remaining a contribution to the State Exchequer at 4 per cent. on an accepted capital cost of £E.26,000,000 is a first charge, the balance, if any, remaining over being hypothecated to the Railway Reserve as distinct from the general reserve of the Government Budget.

[TABLE]

				1933-34 £E.	1932-33 £E.
Gross Receipts	...	...	...	4,554,000	*4,854,000
(Deduct)—					
Gross Working Expenses	...	...	...	3,636,000	3,723,000
Nett Receipts	...	...	...	918,000	1,131,000
(Deduct)—					
New Capital Works	...	...	...(a)	188,000	(b) 302,000
Balance—Surplus Revenue	...	...	...	730,000	(c) 829,000
(Deduct)—					
Contribution to Government—4% of £E.26,000,000	...	...	...	1,040,000	
Overdraft on Railway Reserve	...	...	...	310,000	

* See table above for *actual* receipts in 1932-33.

(a) to be found from revenue.

(b) as by distinct grant.

(c) was the nett benefit to the General Budget of the Government as derived from railways.

The anticipated deficit will doubtless be met by a loan or possibly free grant from the State Reserve Fund.

TELEGRAPHS AND TELEPHONES

This service as in the case of the Egyptian State Railways has been given a quasi-autonomy and will henceforth be operated as a commercial enterprise with a budget separate from that of the State. It will be seen that in consequence of a contribution to the Government on an accepted cost basis having now to be made, it is estimated that the Telegraphs and Telephones would be showing an over-drawal on Reserve of £E.83,000 on their first year's autonomous working. In view, however, of the fact that this service had only recently embarked on unusual and heavy expenditure in connection with the change-over to the automatic telephone system, the Egyptian Government have decided that a special grant of £E.131,000 should be conceded to the Department which is, consequently, estimated to end its first year of financial independence with a surplus of £E.48,000.

A credit of £E.26,500 is allocated to the supply of new telephone instruments to subscribers at Alexandria as a result of the change-over of the central station of that city to the automatic system.

New Works, estimated to cost £E.154,938, include only £E.34,400 for new installations, the greater part of which is allocated to the new State wireless broadcasting station at Abou Zaabul.

The estimates for 1933-34 compared with those for 1932-33 will be found below. The same remarks as those made above in regard to the budget of the Egyptian State Railways naturally apply here.

	1933-34 £E.	1932-33 £E.
Gross Receipts	844,000	769,000
(Deduct)—		
Gross Working Expenses	660,000	622,000
Nett Receipts	184,000	147,000
(Deduct)—		
New Capital Works (a) £E. 155,000		(b) 144,000
(Deduct)—		
Special grant to be borne by State budget in considera- tion of heavy projects re- cently embarked upon (c) 131,000	24,000	
Balance—Surplus Revenue	160,000	(d) 3,000
(Deduct)—		
Contribution to Government on accepted cash basis of £E. 2,800,000 at 4%	112,000	
Credited to Telegraphs and Telephones Reserve	48,000	

(a) to be found from revenue.
 (b) as by distinct grant.
 (c) in consequence of a special decision by the Ministry of Finance.
 (d) was the nett benefit to the General Budget of the State as derived from
 Telegraphs and Telephones.

NEW WORKS EXECUTED

Ministry of Public Works.— The contracts for North Delta Electricity Schemes have been extended further than the works referred to in page 23 of the report dated July, 1931.

The number of electrically driven pumping stations connected to the North Delta " Grid " has been increased to 18. This number includes two Diesel pumping stations at Bosseili* which have been recently electrified. In addition the town of Mansura has also been connected to the " Grid " for supply of electrical energy.

The total length of transmission lines (66,000 volts) has now reached to 250 miles.

The above-mentioned extensions have resulted in an increase of the contract of the North Delta Electrification Scheme bringing

* Placed with a Swiss firm.
 (646)

up the value of the pumping station contract to £E.780,000 (round figure) and that of the transmission lines to £E.620,000 (round figure).

Apart from these works the following contracts were placed :—

Filter plants for isolated basins *£E.10,000 (round figure).

Rahawi Pumping Stations *£E.10,000.

* Placed with a United Kingdom firm.

The Ministry of Public Works have adopted for the irrigation of the regions south of the Aswan Dam floating pumping stations so as to cope with the fluctuations of water level in Aswan Reservoir. Contracts for this work amounting to £E.62,000 (round figure) have been placed, of which works worth some £E.14,000 were placed with a United Kingdom firm. The largest part of this order for pumps and engines was placed with a German firm.

Ministry of Communications.—

Egyptian State Railways.—Work on the new locomotive workshops at Abou Zabal was practically completed by the close of the year and the reconditioning of the old shops at Bulac was finished at a very early date, with the result that considerable economies should be effected in the near future. The total cost of machinery, tools, and plant installed in the new works amounted to £E.89,752 spread over three years.

The Egyptian State Railways purchased only two locomotives and tenders (value £E.3,303†) and no rolling stock during 1932. Orders for coal† amounted to about 340,000 tons and for coke† 650 tons. 220,000 wooden sleepers were purchased from Turkey. Purchases of engine parts and loco wheels and tyres were valued at only about £E.4,700.‡ Orders for springs, rounds, axle joists, bolts and nuts, steel goods, tool steel, boilers and tubes, joists, steel plates, fishplates, girders, buffers, saddles, brake fittings, hinges, welding materials, signalling apparatus, pig iron, tin ingots, etc., amounted to no more than about £E.73,000, of which United Kingdom manufacturers furnished to a value of some £E.48,000.

The order for the superstructure of a swing bridge valued at £E.4,170 was obtained by a Belgian firm. An order for luggage lifts (£E.2,811) was secured by a United Kingdom firm.

Purchases during the first quarter of 1933 were confined more or less to the following :—

	£E.
97,000 sleepers from Turkey	
†301,000 tons of coal	
†Signalling apparatus	2,596
§Batteries	1,304
§Superstructure of Swing bridge	2,630

† Supplied by United Kingdom.

‡ Mostly from the United Kingdom.

§ Supplied by Continental firms.

Tin ingots*	£E.
Paints* and Turpentine*	4,492
Bolts, nuts, rivets, mild steel joists, buffer stops, mild steel, steel tyres, galvanised mild steel tubes and sheets†	1,214
	5,370

* Supplied by United Kingdom.
† Mostly from the United Kingdom.

After an exhaustive examination of the situation arising from the restriction imposed on passenger traffic between Cairo and Suez by the closing of the road to commercial motor transport and the inability of the railway to bear heavy traffic, the Egyptian State Railways decided in April, 1933, that services of light rail coaches might safely be operated over the above line. In view of the increased discharge of goods at Suez from the East and of the belief that the number of transit visitors will continue to increase, the Egyptian Government's programme is likely to include a number of orders for suitable rail coaches.

Telegraphs and Telephones.—Capital orders placed during 1932 by the Egyptian State Telegraphs and Telephone Department amounted in all to an approximate value of £E.105,670 of which the United Kingdom's share amounted to about £E.79,400. Continental firms secured orders for approximately £E.22,500, and £E.3,737 was paid for local conduits.

The bulk of the orders placed in the United Kingdom were for the installation of an automatic exchange, the transmitting stations for the broadcasting service, and a repeater equipment power plant, renovation of an existing automatic exchange, cable, telephone and aerial line materials, girders, battery material, etc. Continental supplies mostly consisted of wiring, cables, poles, and girders.

Ministry of the Interior.—

Department of Municipalities and Local Commissions.—Between December the 15th, 1931, and the latter half of May, 1933, orders placed for power plant and distribution by the Department of Municipalities and Local Commissions amounted to a value of £E.177,371.

Of the electrical portion of this expenditure (amounting to roughly £E.102,331) a United Kingdom firm secured orders valued at about £E.90,237. The three orders for filter plants which amounted in total value to £E.17,461 and the order for ice-making plants (of a total contract value of £E.16,000) required for provincial centres were also placed with British firms.

NEW WORKS PROJECTED

Ministry of Public Works.—As stated under the heading "Egyptian State Budget" 1933-34, preliminary provision is

made for the Gebel El Awlia Reservoir to the amount of £E.1,000,000, the greatest part of which (about £E.750,000) will be devoted to indemnification of dispossessed landowners. A railway line, expenditure on which may amount to about £E.130,000, will also be required.

This important contract was adjudicated in May, 1933, in favour of a British contractor subject to certain stipulations in regard to the formation of a company with the requisite financial and technical qualifications. The tender price accepted was £E.2,089,116, the work to be completed within 50 months.

The provision in the budget for the research work in connection with the projects for the strengthening of the Assiut, Esna, and Delta Barrages evidently foresees the ultimate necessity for the execution of these works consequent upon the successful completion of the last heightening of the Aswan Dam.

No provision is included in the budget for the execution of the project for the construction of a super power plant and nitrate factory at Aswan the adjudication for which was cancelled in November, 1932.

It is possible, however, that a modified scheme on less ambitious lines may be reconsidered.

AGRICULTURAL MACHINERY PROJECTS

Owing to the increase in rice cultivation of 82,100 feddans in 1933 (which brings the total area under rice to 351,908 feddans) and to the official measures taken to protect the local wheat and flour trades, the Egyptian Government contemplate the construction of a large grain elevator in the Cairo area, two more at Assiut and Tanta and four or five smaller rice silos in the Delta. As stated in the section dealing with the Budget a credit of £E.10,000 for the construction of a rice hulling mill has been authorised.

The area under wheat in 1933 is 1,400,000 feddans, which are estimated to yield approximately 7,000,000 ardebs. To this must be added the carry over of 1932 stocks amounting to 600,000 ardebs. As, however, the forthcoming crop will be less than that of 1932, Egypt may hope to escape at least partially a similar fall in prices to that which occurred in 1932.

The primitive native bakeries consume annually an average of 1,190,000 metric tons of cereals comprising principally some 1,160,000 metric tons of wheat (including formerly some 200,000 tons of imported wheat) while the European bakeries consume about 90,000 tons of wheat equivalent approximately to 60,000 tons of flour previously imported for the most part from Australia, Canada, and the United States of America.

Although old roller flour mills are established in different parts of the country there is only one modern mill capable of producing about 250 tons of flour a day and, consequently, there should, in

spite of the conservatism of the country folk, be openings not only for the sale of heavy rolling plant but also for the small machine mills required for provincial centres.

STATE AID TO CULTIVATORS AND LANDOWNERS

The agricultural depression of 1932 was so acute that the Egyptian Government were compelled to explore every possible means of alleviating what had become a desperate situation.

Government measures for relief may be divided into three categories, viz :—(1) measures to raise the local price level, (2) measures to alleviate the burden of short-term indebtedness, and (3) measures to alleviate the burden of long-term indebtedness.

PRICES

1. (a) The policy of protecting local growers against foreign competition by prohibitive import tariffs was developed during 1932, the produce most affected being wheat, flour, dry vegetables, barley, oats, maize, millet, rice, dairy produce, melons, oranges, and citrus fruits of all varieties. To compensate for the loss of revenue anticipated on raising the import duty on rice, an excise duty of £E.1 per ton was imposed on local rice which was later reduced to PT.50 in response to complaints of cultivators, and finally suspended for the year 1933-34 by decree dated the 22nd June, 1933.
- (b) In spite of the diminution thus secured in foreign supplies, several crops appeared to be in excess of the country's requirements. To encourage export, therefore, bounties have been offered; exported rice is accorded a drawback not less than the excise duty; in the case of beans (most of which were shipped to the United Kingdom), an arrangement was made with commercial interests for the export of 200,000 ardebs under Government guarantee of a profit of PT.3 per ardeb, provided that this could be secured with no greater loss to the Government than PT.10 per ardeb. In other words, the Egyptian Government offered a flat PT.10 per ardeb for any reasonably large consignment of beans exported abroad, raising the bounty to PT.15 on consignments to France in order to counteract the French import duty.
- (c) Among miscellaneous measures to encourage export may be mentioned the control of eggs and onion exports (marking, grading, etc.), the remission of export tax on eggs to counterbalance a duty imposed in Italy, and experiments in the export of fresh vegetables. A credit of £E.40,000 to finance the export of onions was opened in May, 1933, this amount being debited to the Reserve Fund. Subsequently, the Egyptian Government exercised a greater measure of control over the onion trade, but as abnormal stocks had accumulated by May, 1933, the situation had become so acute, that the Government were compelled to intervene as purchasers. Exports of onions in 1932 amounted to 175,000 m. tons.

Among a number of schemes under consideration by the Egyptian Government was a proposal submitted by a group of Hungarian financiers for the formation of a company with the object of exporting to Central Europe large quantities of tomatoes and other vegetables. As much as 20/30,000 tons of tomatoes was suggested as the annual requirements for the purpose envisaged.

(d) Various other means in support of prices have been tried. Thus:—

- (i) The National Bank of Egypt, the Crédit Agricole d'Egypte, and the Banque Misr* were guaranteed against loss in connection with advances of PT.100 per ardeb on wheat and PT.65 on beans. The advances made up to January, 1933, were £E.100,000 on the latter and £E.35,000 on the former. A supplementary credit of £E.135,000 to cover these transactions was approved in May, 1933. A bonus of PT.10 per ardeb on beans exported to the Sudan was approved in June, 1933.
- (ii) The Government fruit and vegetable market in Cairo was extended and the establishment of a similar market in Alexandria is in contemplation.
- (iii) A cereals Exchange has been created at Rod El Farag (Cairo), and the Government have purchased large quantities of oranges and vegetables for export at prices above market quotations.

SHORT-TERM INDEBTEDNESS

- 2. (a) Of the various measures adopted to relieve short-term indebtedness of cultivators and to help them to secure seasonal credits, the advancing of funds to the Crédit Agricole has been the most important. Up to the beginning of December, 1932, the Government advanced a sum of about £E.1,279,000 to this bank in addition to the £E.500,000 of Government capital subscribed in 1931. The extent of the bank's operations is indicated by the fact that over 750,000 ardebs of wheat and beans were in store in its various "shoonahs" on August 31st. Its transactions in cotton seed for sowing and seed potatoes were also extensive and, perhaps, equally depressing.
- (b) Further, having experienced difficulty in collecting the arrears of agricultural advances which they had spread over five years in 1931, the Egyptian Government had recourse to accepting payment in maize for the 1931 and 1932 arrears. Resort to such an expedient has not been known in Egypt for half a century.
- (c) The Crédit Agricole placed £E.200,000 at the disposal of the Sugar Company† for distribution at 7 per cent. interest to assist cane-growers over the cost of cultivation.
- (d) The collection of the Agricultural Roads tax has been suspended.

LONG-TERM INDEBTEDNESS

- 3. (a) *Rent Relief.* In 1931 the Government authorised the postponement for a year of payment of 1/5th of the rent due on land leased for more than one year for the normal cultivation of cotton in respect of the 1929/30 season or previous seasons, and the remission of 3/10ths for the year 1930/31. Rents of 1931/32 were similarly treated, the 3/10ths payment being postponed until September, 1933.

* The guarantee has since been extended to other banks.

† The Sugar Company, the capital of which amounts to some £E.5,000,000, possess five sugar mills in Upper Egypt and one Refinery near Cairo. The annual output of this concern amounts to about 1,500,000 tons of sugar cane which is refined into about 150,000 tons of sugar. The company employs some 500 officials and 28,000 hands.

- (b) *Mortgage Relief.* The Government further financed a number of measures to prevent the expropriation of mortgaged land upon which early in 1932 some £E.6,000,000 of arrears were owing to the three principal mortgage banks, the Government assuming the responsibility in February, 1933, for a proportion of this debt.

It should be noted in passing that the above figure does not include commercial debts also secured on the land.

With the consent of the Mixed Courts all forced sales were postponed for the period of the courts' recession—July to October, 1932, and for the same period of 1933.*

Out of a million pounds placed at the disposal of the *Crédit Agricole* on the 31st July, 1932, for the settlement of the 1929 instalment on threatened properties, £E.727,000 had been disbursed by the close of the year 1932. To enable it to continue mortgage operations £E.400,000 was advanced to the *Crédit Foncier Egyptien*, half by the National Bank of Egypt and half by the Government out of Savings Bank funds against the issue of 16-year 6 per cent. bonds.

£E.800,000 was provided for the *Société Foncière* for the purchase of expropriated estates under the stipulation that they are not disposed of during the following five years, except to their original owners, any eventual loss being borne by the Government. Half of this sum was used to take over from the *Crédit Foncier* some 6,000 feddans which it had been obliged to take on its books against debts of over £E.500,000. The *Société Foncière* had purchased up to the end of December, 1932, nearly 15,000 feddans.

The extent of these transactions left the Government with a bank overdraft of £E.2,346,000 which was covered by securities from the Reserve Fund.

An agreement was signed between the Government and the *Crédit Agricole d'Egypte* in July, 1932, for the creation of an establishment called the *Crédit Hypothécaire Agricole* to transact mortgage business in amounts ranging normally from £E.50 to £E.1,200, to which the Government was to supply a million pounds by April, 1933, and thereafter half-yearly additions of half a million each up to 1937. As in the case of the *Crédit Agricole d'Egypte* this new institution is exempted from the dispositions of the five-feddan law. The *Crédit Hypothécaire Agricole* began operations in September, 1932.

The applications for loans submitted to the *Crédit Hypothécaire Agricole* up to the 15th March, 1933, were 3,075 in number of which 1,089 were referred in April to the legal service for examination, the rest being examined gradually. 325 applications were admitted and the amount of the loans granted came to £E.108,100

* Similar steps have been taken with regard to the Native Courts. There is, however, no absolute undertaking to postpone forced sales in every case.

on 4,482 feddans at the close of April. The formalities are difficult in this business as the majority of applicants are small holders, some of whom have inherited their land, whilst others have acquired it by purchase or exchange, and many again only hold their lands on prescriptive rights.

A comprehensive arrangement was entered into with the three Mortgage banks whereby arrears (except those prior to 1929) were consolidated and together with the remaining annuities not yet due, converted into new loans payable by 30 to 35 annuities at reduced interest. The Banks also agreed definitely to abandon certain interest already due and agreed as regards the arrears which should come to be settled to take over two thirds partly in cash and partly in Treasury Bonds for £1,000,000. The loan was funded in February, 1933, by the issue of £2,500,000 of $4\frac{1}{2}$ per cent. Treasury Bonds. This scheme, though valuable, is of limited application until the more difficult problem of second and third mortgages is settled and something devised to relieve the burden of commercial debts secured on land.

A further means of alleviating the difficulties experienced by small cultivators was found by an arrangement made with the Agricultural Bank, which was anxious to liquidate its operations after having for some years suspended further loans of this nature, whereby the the Agricultural Credit Bank took over the outstanding debts, reducing at the same time the interest rates thereon, from 9 per cent. or $8\frac{1}{2}$ per cent. to 7 per cent.

Subsequently by Law No. 26 of May the 27th, 1933, a further draft on the Reserve Fund of £E.1,000,000 was authorised for the purpose of assisting proprietors of agricultural lands threatened with expropriation.

Furthermore, by Law No. 47 of the 21st June, 1933, the sum of £E.1,000,000, representing the revenue surplus accruing in the final account for the year 1932-33, was authorised to be distributed as follows with the object of alleviating the burden of the poorer agricultural population :—

- (a) £E.335,000 for the reduction by an equivalent amount (1/3rd) of the Ghaffir tax in the villages and other similar agglomerations.
- (b) £E.610,000 for the reduction by an equivalent amount (9/10ths) of the taxes additional to the land tax imposed by Provincial Councils.
- (c) £E.55,000 for the suspension of the rice excise for the financial year 1933-34.

The amounts actually expended under the main headings of the Egyptian Government's aid to cultivators and landowners during the financial year 1932-33 were the following :—

	£E.	£E.
Bounties on export of beans	55,000	
Guarantee to Banks for advances on wheat and beans	135,000	
*Financing onion exports	40,000	
Advances to Crédit Agricole	1,413,000	
†Advances to Crédit Hypothécaire	1,000,000	
‡Proceeds of Treasury Bonds 4% (£E.1,000,000) and 4½% (£E.2,500,000) to prevent forced sales of land and to adjust mortgages:		
Advanced to several Banks	3,500,000	
Total		6,143,000

* Not used by close of financial year.

† Used to a small extent.

‡ This includes advances to the Société Foncière, Crédit Foncier and three Mortgage Banks.

The Crédit Agricole advanced £E.200,000 to sugar cultivators through the Sugar Co. But this sum does not appear as a Government appropriation.

By Royal decree dated the 31st December, 1932, the Egyptian Government authorised the formation of a company under its aegis bearing the style of " Société Egyptienne pour le développement du commerce des légumes, fruits et fleurs " with the object of purchasing for export vegetables, fruits, and flowers, and of controlling a jam factory§ and a dairy§ on a large scale at Damietta. The Royal Agricultural Society participates in the new company, on the board of which are included leading Egyptian official and commercial personalities. The original capital, which it is understood has since been extended, amounted to £E.9,000. The Egyptian Government also contributes the importation of high grade seeds for distribution to growers.

Concurrently with this enterprise, Commercial Attachés were appointed to London and Paris (one officer) and Berlin.

CO-OPERATIVE SOCIETIES

The co-operative movement in Egypt, which was the direct outcome of the crisis of 1907 has steadily developed in spite of periodical vicissitudes of fortune, but, up to the present, only the agricultural co-operative societies have received State aid.

The number of agricultural co-operative societies in existence at the close of 1932 was 559 containing a membership of 55,000.

§ These projects, are still in the examination stage.

The paid up capital of these concerns stood at £E.157,000, with reserves amounting to £E.25,000. Advances to co-operative societies by the Crédit Agricole (for Government account) during the year under review amounted to £E.75,000.

The amounts due to the Government and the Banque Misr by agricultural co-operative societies by the close of 1931 was £E.237,224, which debts should have been taken over by the Crédit Agricole, but by arrangement between the two banks and the Egyptian Government, the bank Misr retained £E.107,420 of these debts with arrears of interest due, while the Crédit Agricole took over outstandings amounting to a value of £E.102,794.

ECONOMIC LEGISLATION

The Egyptian Government continued to concern themselves mainly with the economic situation during 1932 and Parliament was asked to consider a number of measures bearing directly or indirectly on fiscal matters. First importance was naturally attached to the depressed condition of agriculture, with the result that on the 7th July, 1932, a law was passed authorising the application of £E.2,000,000 from the General Reserve Fund for advances to be made to the newly established agricultural credit bank (Crédit Agricole). This was followed on the 21st July by a further law authorising another £E.1,000,000 of the Reserve to be lent on mortgage through the same bank. Another law of the same date abrogated the provisions of the Five Feddan law of 1912 in respect of loans made by that bank. More direct benefit to smaller cultivators was afforded by Law No. 32 of the 21st July, 1932, which reduced by 30 per cent. the amount recoverable on agricultural rent in respect of a lease entered upon prior to the current agricultural year.

In November two laws were passed dealing specifically with cotton. By one it was forbidden to a proprietor to have more than half of his cultivable land under cotton during the current agricultural year. By the other a complimentary modification was introduced into Law No. 20 of 1932, which had restricted to 40 per cent. the amount of cultivable land permitted to be sown with Sakellarides cotton in the area devoted to long staple production. Whilst maintaining the 40 per cent. maximum for Sakellarides in such cases, this law reduced to 50 per cent. the total area permitted for cotton cultivation of all varieties.

Three other laws of importance to agriculture were the following:—

Law No. 19 of the 19th June, 1932, approving the construction of the Gebel el Awlia Dam;

Law No. 22 of the 23rd June, 1932, introducing control of the fruit growing industry. (The object of this measure was to prevent the cultivation of trees which are harmful to agriculture and to endeavour by means of a system of registration to safeguard the agriculturist from receiving inferior varieties from unscrupulous nursery gardeners);

Law No. 48 of the 6th August, 1932, introducing an interesting modification into the old law of 1858 concerning land erosion and accretion on the banks of the Nile.

The Egyptian Government, also had recourse to legislation for the purpose of increasing revenue. By a decree of the 12th May, 1932, an additional duty of 1 per cent. *ad valorem* was imposed on all imported goods. In addition to this, by various enactments increases were effected in the customs duties payable on a large variety of specific commodities, to the more noteworthy of which reference is made elsewhere in this report.

Law No. 3 of the 31st March, 1932, extended indefinitely the temporary provisions of the Customs Law No. 2 of 1930, authorising tariff modifications by decree until such time as a law establishing the tariff should be promulgated. Law No. 4 of the 31st March, 1932, authorised the Minister of Finance to establish by decree excise duties on the products of the soil and of national industry. This power has been exercised in the case of matches (31st March), rice (18th July), and playing cards (23rd March, 1933).

The following legislative measures are envisaged by the Egyptian Government or in course of negotiation with the Capitulatory Powers:—

- (1) Draft Insurance Law.
- (2) „ Commercial Register Law.
- (3) „ Motor Taxation Law.
- (4) „ Inland Navigation Tax Law.
- (5) „ Aviation Law.
- (6) „ Places of Amusement Tax Law.
- (7) „ Patente Tax Law.
- (8) „ Trade Marks Law.
- (9) „ Law on Adulteration of Foodstuffs.
- (10) „ Workmen's Compensation Law.
- (11) „ Law to regulate Tobacco Industry.
- (12) „ Copyright Law.
- (13) „ Law on Commercial Book-keeping.
- (14) „ Law to prevent adulteration of soap.

EGYPTIAN TARIFF

As pointed out by the Governor of the National Bank of Egypt in his report for 1932, the striking unanimity of opinion of the Governments represented at the World Economic Conference at Genoa in 1927 that the chief impediment to world trade was to be found in the then existing tariff barriers has failed to prevent an almost universal heightening of tariff walls. Egypt was no exception to the general rule, but whether her uncompromising conception of protection of her industries, both existing and potential, before these industries have really been placed on a commercial basis in relation to world economic conditions is not rather a case of “ putting the cart before the horse ” is a matter for consideration.

Egypt is, and must be, first and foremost an agricultural country and it is thought that she would do well to pause ere she develops a system of high protection for industry.

COMMERCIAL CONVENTIONS

The existing provisional Commercial Agreements between Egypt and the Governments of the United Kingdom and Northern Ireland and of the Irish Free State respectively were extended for one year by decree and were again renewed for a further year in February, 1933.

Similarly Egypt's provisional Commercial Agreements with other powers were extended in 1932 and renewed during the present year.

RESTRICTIONS ON COMMERCIAL MOTOR TRAFFIC

On December 31st, 1931, a decision was taken by the Council of Ministers confiding to a specially formed Commission duties connected with the issue of licences to commercial motor vehicles hitherto carried out by the Ministry of the Interior.

The object of the appointment of this Commission was stated to be the control of commercial motor traffic (which was said to be assuming awkward proportions and to be inflicting undue damage on the roads) and the limitation of the issue of licences to the number of lorries, 'buses, delivery vans, etc., which, in the opinion of the Commission, the roads of any given district could bear.

By the end of the first quarter of the year the results of the motor Commission's activities became evident. Complaints were widespread regarding the refusal of the authorities to renew, or their vexatious delays in issuing, licences. Conditions attached to the grant of licences were inflicting much damage on motor interests, or the owners of 'buses, delivery vans, lorries, etc., with consequential increase in unemployment. Permission was given only to ply in restricted areas, licences were being withheld unless payment had already been made of the high tolls demanded for the traversing of roads and bridges and also of Municipal dues, all of which, in the cases of nationals of Capitulatory Powers, the applicants were under no legal obligation to pay.

As a result of this situation a number of firms closed down their motor transport business, and an important British firm of tea suppliers, who had previously distributed their products by their own delivery vans from rail centres, were forced to sell their vehicles with consequent decrease in their business and, incidentally, in that of the Egyptian State Railways.

Although some attempt was made in the new year to lighten the burden of owners of commercial motor vehicles, little real alleviation of the situation was noticeable.

BANKING

The National Bank of Egypt, which performs the dual functions of (a) the emission of the note issue; (b) bankers for the State, is able, owing to the monetary system adopted in Egypt, to adapt very closely the circulation of notes to the increase or decrease, as the case may be, in the financial requirements of the country resulting from the commercial situation. Each year the note circulation begins to rise in September and attains its maximum in October for the cotton harvest, after which the notes in question return progressively to the bank following the settlement of imports, debts, and purchases of merchandise. Naturally, the greater the harvest, the more the circulation increases. There is no question of inflation since, the cotton crop being almost entirely exported, the circulation is no more than the countervalue of the means of payment to Egypt by foreign countries. The principal banks continued to finance the cotton crop under somewhat depressed conditions, the British banks, as usual, bearing the lion's share of this business.

The leading banks restricted credit to purely commercial operations during the year under review, the advances on cereal crops being confined for the most part to the *Crédit Agricole* and the *Banque Misr*. (A list of leading banks, foreign and local established in Egypt is shown in Appendix XXXV). The former, under Egyptian Government auspices, is responsible for advances made to cultivators (principally the small growers) on seed, fertilizers, harvesting, expenses, purchases of agricultural machinery, and also on the crops and the bank is pledged to oblige the recipients of such advances to sell their products at the most favourable moment. The functions of the new bank are essentially to transact those agricultural credit operations which were formerly included in the duties discharged by the Egyptian Government either directly or through the banks.

As stated under the heading "State Aid to Cultivators and Landowners" the *Crédit Agricole* were charged with the creation of the *Crédit Hypothécaire*, a new land mortgage concern supported by the Egyptian Government having for object the rendering of assistance to small landowners. Apart from its financial loans, this bank effected 91,069 advances on produce during the year 1931-32 and it executed the cotton fertilizer barter transaction entered into between the Egyptian Government and German interests to which reference is made under the heading "Fertilizers."

The other local bank which enjoys the full support of the Egyptian Government in every conceivable direction, is the *Banque Misr*. This institution holds the accounts of the Department of Municipalities and Local Commissions and is responsible on behalf of the Egyptian Government for the advances to co-operative societies. The bank is one of the many which transacts cotton business and it also is responsible for loans to purely

Egyptian industries. A list of this bank's subsidiary companies, which are almost invariably favoured in all Egyptian Government adjudications, even in competition with their local competitors, are shown in Appendix XXXIV. The result of this discrimination has been that for the first time a number of these companies were able to point to a profit in 1932.

The following table showing mortgage debts (loans and arrears) owing to the leading mortgage banks in 1914 and 1932 may serve to indicate the diminution in this business, which was due to disinclination to accept still further commitments at a time when encashments were so uncertain. The three principal land mortgage banks are now, however, prepared to continue their loan business on a scale proportionate to present values :—

	1914	1932
	£E.	£E.
Crédit Foncier Egyptien	29,278,000	19,294,347
Land Bank of Egypt	4,052,000	5,458,797
Mortgage Co. of Egypt	3,237,000	3,269,002
Agricultural Bank	6,940,000	823,173
Caisse Hypothécaire... ..	1,585,000	—
Land and Mortgage Co.	496,000	—
Deutsche Hypothécaire Bank	250,000	—
	<hr/> 45,838,000	<hr/> 28,845,319

To take an example of the years' working, the Crédit Foncier Egyptien advanced 178 loans of a total value of £E.1,074,778. Amortisements and repayments (paid and anticipated) in 1932 amounted to £E.2,204,367.

Yet another bank was added to the number operating in Egypt when in June, 1932, the Is Bankasi of Turkey opened a branch in Alexandria under the name Misr Is, Ltd.

The new bank is understood to possess a capital of £T.100,000 and to have for objects the conduct of import and export trade, commission business, and warehousing. It is reported to have made advances to Turkish exporters against goods despatched on consignment to Alexandria.

Up to the close of the year, the bank appears to have handled no transaction of importance apart from the contract for the supply to the Egyptian State Railways of Karamania sleepers to a value of £E.56,000.

STOCKS AND SHARES

In spite of the persistence of the economic depression during the year under review, the stock exchanges showed a certain degree of activity which was reflected in a slow but steady advance in values. This situation may have been due in some part to a desire to work capital which had been shy during 1931 and also to the belief that the crisis had reached its zenith and that a move

towards prosperity might be anticipated. The progressive policy of the Bank of England during the first half of 1932 which resulted in the reduction of the Bank rate from 6 per cent. to 2 per cent. exercised a considerable influence on the movement of Egyptian capital and encouraged the local money market. This reduction in the Bank rate was followed by the Lausanne Convention and then by the successful conversion of War Loan, all of which restored the confidence of the financial world in the pound sterling with resulting benefit to Egypt.

The activities of the stock markets of London, New York, and Paris, which, apart from the tragic set back experienced through the Kreuger affair, resulted in a progressive advance in values, was reflected in the Egyptian exchanges which closely follow those markets. The improvement in Egypt was in fact even more marked in certain respects, since about 10 leading securities of fixed dividend showed an increase in value of 21.5 per cent., and a number producing variable dividends could point to a 28 per cent. increase.

As will be seen by reference to Appendix XXXIII Unified and Privileged Public Debt shares increased by about 23 per cent. and 24 per cent. respectively between the opening and close of the year 1932, and one of the most significant movements was the appreciable plus value of land mortgage shares, which in some cases rose by about 60 per cent., whilst the average improvement was from 15 per cent. to 35 per cent. It may, in fact, be said that the rise in values was more or less general and that the lion's share of the increase was held by land mortgage shares. Other shares which showed a marked improvement were the Filature Nationale (reached 105 per cent.) which benefited with the Société Misr de Tissage from the supply of Government cotton stocks on extended credit, the Sugar Company (94 per cent. and 51 per cent. increases for ordinary and founders' shares) as a result of the Government help, and the National Bank of Egypt (40 per cent. increase).

ISSUE OF GOVERNMENT BONDS

As stated under the heading "State Aid to Cultivators," the Egyptian Government by Law No. 1 of 1933 authorised the issue on the 2nd February of Treasury Bonds to a value of £E.3,500,000 in two issues, viz :—

- (1) £E.1,000,000 in bearer bonds repayable in five years at 4 per cent. interest.
- (2) £E.2,500,000 in bearer bonds repayable in ten years at 4½ per cent. interest.

These bonds are exempt from all Egyptian taxation, present and future; the first issue being amortised by five and the second by ten annual drawings in Cairo.

The second issue was successfully offered for public subscription in February, 1933. The first was handed *in toto* to the three land mortgage banks (see "State Aid to Cultivators").

II.—TRADE AND INDUSTRY

Imports and Exports.—The depreciation in the prices realised for agricultural products during the year under review resulted in a diminution of the purchasing power of the country, already considerably affected by the world crisis, and a material decrease in external trade, as indicated by the following statistics :—

Articles	Value in thousands of pounds				Difference between 1931 & 1932 £E.
	£E. 1929	£E. 1930	£E. 1931	£E. 1932	
IMPORTS					
Tobacco ...	1,454	1,170	914	823	— 91
Other articles ...	54,821	46,318	30,614	26,603	— 4,011
Total ...	56,275	47,488	31,528	27,426	— 4,102
EXPORTS					
Cotton ...	41,361	23,788	19,688	17,867	— 1,821
Other articles ...	10,826	8,153	8,386	9,120	+ 734
Total ...	52,187	31,941	28,074	26,987	— 1,087
Goods re-exported	1,600	964	723	722	— 1
Grand Total ...	53,787	32,905	28,797	27,709	— 1,088
Excess of Imports	2,488	14,583	2,731	283*	— 3,014

* Excess of exports and re-exports.

It will, therefore, be seen that (taking into consideration the re-exports trade—£E.722,000), the calendar year 1932 closed with a favourable foreign trade balance of £E.283,000.

The deficit of £E.1,821,000 in Egypt's cotton exports was counter-balanced by an increase of about £E.734,000 in respect of other exports with the result that the percentage of the decrease in value of exports was materially reduced. In fact, while the value of exports declined by 39 per cent. between 1929 and 1930 and by 12 per cent. between 1930 and 1931, the actual decrease between 1931 and 1932 was not more than 4 per cent.

The improvement in exports of goods other than cotton was partly due to the restriction of cotton cultivation and to the abundance of certain other crops which had been chosen with a view

to the likelihood of a demand for them. Thus, exports of beans up to the 18th January, 1933, amounted to 36,405 tons valued at £E.204,000; of these the United Kingdom alone absorbed 55 per cent., the remainder being disposed of on the Continent.

The value of total imports fell to £E.27,426,000, a decline of £E.4,102,000 compared with 1931, and the lowest level since 1915. From 1929 to 1930 Egypt's import trade declined by 16 per cent.; from 1930 to 1931 by 4 per cent., and from 1931 to 1932 by 13 per cent.

The United Kingdom absorbed 38 per cent. of Egypt's exports while purchases from other parts of the British Empire brought the total up to 44 per cent. Egypt's next best customers were France and Germany with 10 per cent. each and Italy with 8 per cent. In return Egypt obtained 24 per cent. of her imports from the United Kingdom and a further 9 per cent. from other parts of the British Empire, which corresponded to the joint percentage in 1931. Most other countries lost ground, with the exception of Japan who supplied Egypt with goods to a value of £E.2,152,000 (8 per cent.) in 1932 compared with £E.1,535,000 (5 per cent.) in 1931. The progress made by Japanese piece goods is dealt with under the title "Cotton Piece Goods." In contrast to this advance in Japanese sales, it should be noted that Japan bought less from Egypt than she did in 1931.

Statements showing the main categories of imports and exports appear in Appendices III and XXV.

Although the visible balance of trade was in favour of Egypt at the close of the calendar year 1932, the importance of invisible imports and exports should not be overlooked. The number of tourists who visited Egypt in 1932 was inferior to that of 1931 and while there is no means of estimating to any degree of accuracy the sums expended in Egypt by visitors, reports from the bazaars indicate that the years 1931 and 1932 were disastrous to the curio and native art dealers, as well as to hotel proprietors and shopkeepers. Fortunately, the last tourist season of 1932-33, when English visitors for considerable periods predominated, showed a marked improvement over the two preceding seasons. In counter-balance of the invisible touristic imports, due account must be taken of Egypt's exports under the same heading.

Transit dues through the Suez Canal and the expenditure of His Majesty's Forces in Egypt have also an important bearing on the purchasing power of the country.

Trade with the Sudan.—The appreciable decline in Egyptian exports to the Sudan is apparent from the statistics shown in Appendix XXXIX from which it will be seen that the figures for 1932 are less than half those for 1929, but the statistics of imports from the Sudan, indicate a still less satisfactory situation from the point of view of that country.

In spite of the lower prices generally offered in the Sudan for sugar from sources other than Egypt, the Egyptian sugar company were successful in selling some 3,000 tons of sugar in April, 1932, whilst in December the Sudan absorbed a further 4,000 tons.

Cotton. —The economic situation in Egypt during the year 1932 was naturally affected by world conditions with the result that prices for cotton, Egypt's staple product, and indeed the very basis of her wealth, were compelled to follow the same tendency as those of other agricultural products in general which are subject to economic fluctuations, though Egyptian cotton prices did not fall as far as prices of other local agricultural commodities, which, apart from the Government subsidized export of beans, onions, wheat, etc., were almost unsaleable. Furthermore, cotton had the advantage of being convertible into money, especially in the case of Uppers, whereas other agricultural produce was not. Consequently, when the opening of the New Year ushered in a return to the price levels ruling during the last days of the previous year, a certain spirit of optimism manifested itself at the beginning of January, due partly to outside political moves towards the settlement of the international debts problem and partly to rumours which circulated at that time in regard to the extent of the cotton acreage in the United States of America; the legislative measures or other means by which it was proposed to limit the cultivation of cotton, and the laws promulgated by certain countries to that effect. These considerations, rightly or wrongly, resulted in a certain recovery in the cotton market, when January prices rose by 131 points for Sakellarides and 91 points for Ashmouni. The market remained optimistic up to the beginning of March, when Sakellarides cotton reached 14.03 tallaries and Ashmouni 11.89 tallaries per cantar. When it was realised, however, that the efforts made in the United States of America to limit cotton cultivation had come to nothing Egyptian prices began to decline and in the first days of June reached the lowest level recorded during the 1931-32 season, i.e., 9.85 tallaries for Sakellarides and 8.13 tallaries for Ashmouni.

The success of the Lausanne Conference was reflected on the exchanges and in the agricultural markets with consequent benefit to Egyptian cotton. Furthermore, as soon as the annual rumour that the new American cotton was below the estimates had got a good hold of the Alexandria market, the recovery of Egyptian cotton prices was so marked that in September Sakellarides prices reached 18.95 tallaries and Ashmouni 15.17 tallaries. While there can be little doubt that conditions ruling in the world cotton markets did not justify such a considerable rise, the steadiness of the British banks operating in Egypt and the entry into the field of the Crédit Agricole, nevertheless, assured a steadier market and since then prices were maintained.

The world consumption of cotton, during the season 1931-32 was inferior to that of the previous season, notwithstanding the fact that the consumption of Egyptian and American cotton increased slightly, the former by 13 per cent. and the latter by 15 per cent. The average yearly consumption of Egyptian cotton from 1926-27 to 1930-31 was 946,000 bales whereas during the 1931-32 season 980,000 bales were disposed of. The actual crop for the season (1st August 1931—31st July, 1932) amounted to 6,332,410 cantars raised from about 1,682,938 feddans, being a moderately good yield. As 90 per cent. of Upper Egypt and 50 per cent. of the Delta is sown with Egyptian Government seed, continually renewed, the value of the Ministry of Agriculture's efforts towards perfection in cultivation may be appreciated.

Statistics of exports of raw cotton during the year under review appear in Appendix XXVIII, the total quantity being 6,698,545 cantars in 1932 compared with 7,396,810 cantars in 1931. Of these quantities, the British Empire took about 37 per cent. and Germany some 12.7 per cent., but the increase in the latter's takings was to a certain extent due to the cotton-fertilizer barter transaction which alone accounted for 15,000 bales. France took the third place with about 12 per cent., then Italy with 8.6 per cent., and Japan with only 6 per cent.

From the beginning of the 1931-32 cotton season, exports declined as indicated hereunder :—

					Cantars
To the 1st September, 1931	...	...	...	...	2,746,000
At the end of December, 1932	...	...	...	...	2,197,000

The Alexandria Testing House is functioning satisfactorily. The Joint Anglo-Egyptian Cotton Committee examined carefully the questions relating to the baling of Egyptian cotton and the propaganda made on behalf of that commodity. The close co-operation between the Egyptian Government and the Joint Committee has benefited and should continue to benefit in no small measure the Egyptian cotton industry from the standpoint of both cultivator and spinner.

Outlook for United Kingdom Trade with Egypt and General Remarks.— The depreciation of sterling introduces a factor which must be taken into account when comparing British trade with that of foreign countries. After September, 1931, the value in £E. of imports from countries on a gold basis are increased proportionately in the Egyptian Customs returns. This introduces a disturbing factor into comparisons on the basis of values, and, owing to the wide variations of quality, gross weights cannot be considered a reliable comparative basis.

Although import figures indicate that in certain directions some advantage has accrued to United Kingdom trade in consequence of the depreciation of sterling, the full benefit has by no means been felt. The departure from the gold standard has occurred at a time when trade stagnation had left heavy stocks on the Egyptian market. Inability to move these or to convert them into cash prevented any immediate movement to replenish them from United Kingdom sources. These stocks have gradually been depleted and replacement is now slowly taking place. It seems unfortunate that a certain appreciation in sterling should coincide with this movement as it must, necessarily, deprive United Kingdom goods of their attraction to the local buyer on the look out for cheap goods. Had this appreciation been delayed, there could be little doubt that the movement towards United Kingdom sources of supply would have been accentuated during the current year. Similarly, Government Departments have reduced their purchases during the last few years and will now have to replenish their stocks. United Kingdom manufacturers have, therefore, before them a certain field of activity in that direction.

It is suggested that the following five points might usefully be examined by United Kingdom manufacturers and exporters :—

- (1) The extent and probable development of the demand for their goods.
- (2) Competitive prices.
- (3) Terms.
- (4) Methods of marketing.

(1) With regard to the first point, United Kingdom manufacturers in general do not appear to send factory representatives sufficiently often to Egypt to study the needs of the market. United Kingdom manufacturers who are interested in Egyptian Government contracts particularly appear to fail to realise the necessity of sending representatives to Egypt. They rely too much on their agents and thus lose the opportunities so avidly and constantly seized upon by their Continental rivals of making personal contact with Egyptian Government officials. Experience has shown that often such visits have been the prelude of new connections or of wider business as these representatives have been able to bring to the knowledge of the officials concerned technical particulars of their wares which are often taken into consideration when selection has to be made between qualities of goods in relation to prices quoted. It is suggested that at least one visit a year to Egypt is required.

(2) The question of competitive prices, except as regards the cotton piece goods market (to which reference appears later in this report), introduces a controversial point, for, whereas there can be little doubt that the conditions mentioned above were mostly responsible for the failure of the United Kingdom trade to benefit materially from the depreciation of Sterling, it is also contended

that United Kingdom manufacturers have lost their market through a certain laxity in developing sales when favoured by an exchange some 30 per cent. to 40 per cent. below gold standard countries. The result has been that consumers accustomed to use inferior goods have forgotten, in many cases, that United Kingdom articles are usually superior in quality and durability. It therefore seems all the more necessary for United Kingdom manufacturers to make a renewed effort to "push" their sales and to advertise freely during the current year.

(3) Many United Kingdom firms ask payment in the United Kingdom cash against documents, whereas foreign competitors are still allowing liberal credit terms to approved clients.

(4) There is room for improvement in the methods of marketing adopted by many United Kingdom firms. Instances could be cited where important United Kingdom firms prefer not to appoint a local agent who would look after their interests, develop their sales, watch their collections, advise them in regard to advertising, methods of marketing, etc., with the result that ground has been lost to their more resourceful rivals. Egypt, in common with all other countries, has suffered from the world financial and economic depression, but she has, at the same time, suffered on the whole, to a less extent than most other countries.

Literature, Catalogues, and Advertising.—For reasons of economy advertising by all countries was considerably restricted during the year under review and while it is not suggested—in these days of stress—that any comprehensive advertising campaign should be indulged in, it would seem, nevertheless, that more widespread commercial propaganda on well judged lines should be encouraged.

It is essential that literature and catalogues should be issued in French and Arabic as well as in English; so long as trade literature is not issued in the language (French) that is understood by the largest literate section of the people, very little profit can be expected from much of the literature that is at present sent to agents. Foreign firms do not hesitate to expend large sums in publishing literature describing their lines and their advantages and even in the case of an Egyptian Government tender a neat pamphlet printed in Arabic attached to the tender is a great asset in conveying to the competent officials the advantage of the article offered rather than a pamphlet in English describing technical matters which are only partially grasped by the readers.

Egyptian Tariff and its effect on British Trade.—While it seems evident that the present régime of high tariffs has contributed to a certain extent to the generally slow movement of goods in Egypt, the acute depression which has characterised the Egyptian market for the last two years must be ascribed principally

to economic rather than to fiscal factors. That the decline in imports is due to diminished purchasing power resulting from the heavy fall in Egyptian exports as well as to increased duties is evidenced by an examination of the total export and import figures during the last four years, viz :—

Year	Exports £E.	Imports £E.
1929	52,186,625	56,274,912
1930	31,941,592	47,488,328
1931	28,073,630	31,528,167
1932	26,987,417	27,425,691

It may be pertinent to observe that, whilst the total value of United Kingdom imports into Egypt has steadily declined since 1929 (in sympathy with a similar movement in the total imports), the United Kingdom's percentage of participation therein has actually increased annually since 1930, as shown by the following figures :—

Year	United Kingdom £E.	Total £E.	%
1929	11,914,000	56,275,000	21.2
1930	9,677,000	47,488,000	20.4
1931	7,134,515	31,528,167	22.6
1932	6,586,724	27,425,691	24.0

Though it is true that the incidence of some duties has to all intents and purposes paralysed United Kingdom and British Empire trade in certain lines, it would, nevertheless, seem that the constant tariff revisions, carrying as they do in their train an unwarranted amount of speculation, usually at the expense of those who can least afford it, are even more harmful to British trade than the present high rates of duty. This tariff policy is all the more to be deprecated at a time when commerce is already at such a low ebb, for it gives rise to an unwholesome instability of the market. It is, in fact, claimed by numbers of importers that the tariff is now so complicated as to remain incomprehensible to an important aggregate of small importers. When dealing with mixed consignments it is beyond the capacity of this class of merchant to allocate correctly the various duties applicable, with the result that the best that he can do in the circumstances is to spread the total *ad valorem*, specific, and excise duties concerned over the whole consignment pro rata to invoice price. The results thus obtained bear, of course, no relationship whatever to the true incidence of the duties and are grossly misleading. The consequence is that the cost price for a given article rarely works out twice at the same rate; or, alternatively, that two merchants arrive

at widely differing results for the same article. This situation weakens confidence and cases have been known when merchants have refused to order because they are unable to estimate the cost of an article or fear that a competitor will undersell them.

Those goods of United Kingdom and Empire origin which have been most affected by the incidence of protective duties are referred to elsewhere in this report, but it may be said that, on average apart from the actual level of the duties, the change from *ad valorem* to specific rates has not reacted to the detriment of United Kingdom trade.

To take, for example, cotton piece goods, the United Kingdom's greatest export to Egypt, it may be said that this business is suffering more from Japanese competition (see heading "Cotton Piece Goods") than from the incidence of import duties, except that the last increase in duties of 30 per cent. on goods dyed in the piece weighing between 140 and 180 grammes imposed in May, 1933, will severely damage United Kingdom trade in those goods. Again, the rates of duty on coal and machinery of every kind, motor vehicles, railway rolling stock, woollen piece goods, ready made clothing, sewing thread, whisky, rubber goods, electrical equipment, iron and steel ware, instruments, tinplate, chemicals, etc., cannot be said to have affected these trades to any marked extent up to the present.

At the same time, however, the prohibitive rates of duties on some articles, the local production of which it is designed to protect, have prevented would-be purchasers of imported articles of better quality from buying them at all. On the whole it would seem that, with the possible exception of silk cloths and those limited types of cotton piece goods which are produced in Egypt, local industries are at present receiving far more "protection" than is necessary for their well-being, as it seems reasonable to suppose that the low level of the cost of local labour, the absence of sea transport charges, and reduced railway rates for local products, and the 10 per cent. preference which they enjoy in Egyptian Government adjudications, should afford sufficient protection to local manufacturers if their production is efficiently organised. Furthermore, it would seem that without the stimulus of competition from abroad industries in Egypt will never reach a high level of excellence, and that the imposition of a tariff as high as that now in force in respect of many articles is as injurious to Egypt as it is to the countries whose imports it restricts. In the case of Egypt, where there are no coal mines and no steel industry, the combustible is dutiable for fiscal purposes at about 4 per cent. *ad valorem* whilst semi-manufactures of steel are about 6 per cent. or more. Consequently the duties in Egypt on fully manufactured imports are higher than they would be if raw or semi-manufactured goods required by Egyptian industries were free of duty.

It is a matter for consideration which method of assessing goods by weight is the more advantageous, as, although, in general,

taxation by gross weight reacts somewhat unfairly on United Kingdom merchandise owing to the stronger and heavier packing used in most cases, there are, on the other hand, certain categories of imports which are adversely affected by the imposition of duties on the basis of nett weight. For example, under category 588 (stone and hardware sanitary appliances) of the Tariff, duties are levied on nett weight, with the result that should the invoice concerned show an incorrect weight (which is often the case owing to the uneven weights of similar units) many packages would have to be unpacked in order to estimate the nett weight. This adds to the risk of breakage and eliminates the benefit of paying for the packing at works, and, furthermore, delays clearance. On the whole, perhaps, assessment on gross weight has more charms as being free from the inconvenience and delays resulting from unpacking for test purposes, whilst there appears to be no valid reason why United Kingdom packers should not study the packing methods of other countries and, by adopting their good features and discarding less recommendable ones, reduce the difference in weight between United Kingdom and foreign packing to a negligible quantity. When considering this question it should be borne in mind that many foreign competitors do not charge for packing.

Similarly the present system of applying the tariff in such a way that disproportionate rates of duty are imposed on containers or packing of various commodities produces many anomalies, but as this question provides a problem for customs administrations in every country, it would be almost impossible to lay down specific rules for each particular commodity and usually a general formula is allowed. It is usual to tax the container separately when it has a value in itself, but, in the case of Egypt, practically no facilities are accorded for the re-export of containers.

As was anticipated most of the changes in import dues during the year under review, which were of frequent occurrence, were in a decidedly upward direction, the more noticeable modifications being in respect of wheat and flour, beer, stout, sanitary earthenware, dyes, soap, cast iron pipes and cisterns, cordials, mineral waters, tobacco, etc.

Early in April the already high duties on wheat and flour were increased respectively by PT.100 and PT.140 per metric ton on the sliding scale introduced in 1931 based on quotations for the Australian products on the London Exchange. Early in July the duties were doubled on wheat and flour with a gluten content of less than 12 per cent., but this measure proving impracticable, it was replaced at the end of that month by a new flat rate of increase of £E.4 per ton on wheat and £E.2 per ton on flour. There were at the time sufficient stocks of Australian flour in the country to meet the demand for about three months, but since the expiration of that period, imports from any foreign source have been

negligible. The duties on flour were again raised on the 1st May, 1933, by £E.3½ per ton.

Duties on firebricks which were 60 m/ms. were increased on the 16th February, 1931, to 80 m/ms. per 100 Kilos gross, and again on March 31st, 1932, to 110 m/ms. per 100 Kilos gross. The rates on sanitary earthenware, which had been hitherto taxed at 12 per cent. *ad valorem*, were raised on the 16th February, 1931, to 15 per cent.

These duties were again raised on the 31st March, 1932, as follows :—

				Kilos Nett
Sanitary appliances (including Sinks and Baths) ...				100
				£E.
(a)	of Stoneware or fireclay	...	...	1
(b)	of faience or porcelain	...	...	2

The result of these prohibitive duties has caused considerable damage to what was prior to 1930 a flourishing United Kingdom trade. Similarly, the high rate of import duties on metal wares have adversely affected United Kingdom imports of these commodities, particularly in respect of safes,* beds, and cisterns, the tariffs applied to the last named representing about 75 per cent. of the selling value, (or 45 per cent. *ad valorem*) and those on beds and accessories about 33 per cent. *ad valorem*.†

In spite of the fact that local works cannot produce 40 per cent. of the market's requirements of glazed earthenware pipes, import duties are prohibitive, with the result that the much needed sanitary improvement of the primitive poorer quarters of the towns and villages remains undone.

It must be borne in mind that a minimum 10 per cent. preference for locally produced goods is given in all Egyptian Government contracts irrespective of quality.

A wide field for sanitation still exists, when consideration is given to the number of poor quarters yet standing in their primitive state innocent of all sanitary appliances, but, so far, this much needed development remains in abeyance.

There remains, of course, a certain market for medium quality sanitary appliances in the new city buildings and Government hospitals in respect of any one of which the installation of sanitary equipment may be valued at anything from £E.3,000 upwards. The United Kingdom remains the chief supplier from abroad, her share of the trade in 1931 being valued at £E.22,372 out of a total import of £E.37,386; she also furnished the larger part of the total import of 1932, which was valued at £E.23,405.

In the matter of luxury articles and ready-made clothing, Egypt in general and Port Said in particular deserve special attention, as the "half-way" house between East and West. Egypt has

* See later section of this report.

† For rates of duties application should be made to the Department of Overseas Trade.

always enjoyed a reputation as a cheap market, with the result that 75 per cent. of luxury articles imported are purchased by visitors and travellers. Any material increase in price of these articles will consequently close Egypt as a buying centre, and, indeed, travellers are already finding out that they can buy things cheaper in Europe or Asia than in Egypt. This situation, for which the high tariff rates ruling are mostly responsible, would seem to merit very careful consideration by the Egyptian Government if it is desired to keep this important business.

The seasonal reduction in import duties on oranges from £E.5 to £E.2 per ton (exclusive of the 1 per cent. *ad valorem* due and quay paving charges) which had been authorised by decree dated the 31st March, 1932, to take effect from the 10th April, was applied too late to save the loss of a number of important Palestine consignments which had been prepared in anticipation of this concession being granted as from the 1st of that month in accordance with the original intention of the Egyptian Government.

The reduced rates were applied in 1933 as from the 1st April, but by decree dated the 29th April notification was given that the reduced seasonal duty would be applicable in future years only as from the 1st June to the 30th September.

Palestine exports of oranges to Egypt in 1932 were unimportant, but Cyprus oranges found a fair market. The new arrangement will not affect proposed shipments of South African oranges but it will certainly exclude the Palestine and Cyprus products.

The surtax of 100 per cent. of the customs duty on the following articles of Russian origin which was imposed in November, 1931, has remained in force :—

Wheat of all kinds.
 Flour " " "
 Alcohol and Alcoholic Liquors.
 Cement.
 Oil seeds.
 Fodder.
 Textiles (wool, cotton, etc.).
 Cotton yarn.
 Soap.
 Alimentary pastes.
 Bentwood furniture.
 Tomato Sauce.
 Jams.
 Sugar.
 Leather and leather goods (including footwear).
 Beer.
 Compound medicines.
 Pharmaceutical specialities for retail sale.

Other Soviet goods such as timber, matches, mineral oils, etc., are still imported, but the effect of the surtax effectively checked the programme of under-selling, particularly in respect of cotton piece goods, for which elaborate preparations had been made.

Foreign Trade.—The decrease in purchase prices of most kinds of goods, whether due to departure from the gold standard, to foreign subsidy of industry, or to other economic causes, has partly offset the increase of customs dues, thus keeping selling prices at about the same level as 1931; "cut throat" competition between merchants to capture the limited business obtainable has also contributed towards the existing low price levels.

The difficult position now obtaining in every trade conducted in Egypt reposes on the fact that, owing to reduced credits, increased customs duties, and other impediments to trade (a situation, moreover, aggravated by low prices of local agricultural products, reduced values of property, impoverishment of the lower and middle classes of the population, and the lower purchasing power of Egyptian currency in terms of exchange with gold parity countries), commerce now requires far more cash capital than ever before. Floating stocks of merchandise held locally have, consequently, been reduced by at least one-third as compared with those in existence two years ago.

Imports.—Any attempt to analyse the official statistics of the import trade of Egypt during the year under review with any degree of accuracy must, necessarily, be severely handicapped by the marked tendency to condensation which has now become apparent in the Customs returns. This has been increasingly noticeable during the past two years and it was especially marked in 1932. Whereas the imports for 1930 were frequently analysed under six or seven principal exporting countries, these heads were often reduced by half in 1931, and in many cases in the 1932 returns no attempt at all has been made at analysis and the total imports have been grouped together in one inclusive figure.

Textiles.—*Cotton Piece Goods.*—In spite of the fact that total imports in 1932 of all kinds of cotton piece goods showed some increase as compared with 1931, they are still much below those of previous years when the situation was more normal. This shrinkage can in part be accounted for by the increase in production of local mills but it is chiefly attributable to the impoverishment of the Fellaheen.

While United Kingdom imports into Egypt increased by 6,967,535 square metres during 1932 as compared with 1931, the percentage declined by 2.68 (i.e. 41.98 per cent. in 1931 as against 39.3 per cent. in 1932). The largest increase was registered by Japan who supplied in 1932 over 50 per cent. more than in 1931, her figures being :—

1931. sq. metres 44,919,006, or 30.56 per cent. of the total imports from all countries.

1932. sq. metres 67,840,657, or 38.89 per cent. of the total imports from all countries.

Italy, the next supplier, slightly increased her trade by 982,133 square metres but the Italian percentage decreased by 2.55 per cent. while imports from all other supplying countries (in most

cases on account of their exchange) registered a comparatively big drop. Import statistics will be found in Appendices VI and VII.

The two spinning and weaving mills in Egypt, the Filature Nationale d'Egypte and the Misr Spinning and Weaving Co., are reported to have worked full time during the period under review, but it transpires that they encountered some difficulties during 1932 in competing with Japanese articles offered at very low prices. The first named possesses some 800 looms (of which 775 range from 40 in., 47 in., and 50 in.; and 25 of 70 in. each) and 52,000 spindles. The second factory has an intended equipment of 1,344 looms and 36,000 spindles, but this capacity has not yet been completed.

The Filature Nationale d'Egypte produced in 1931, 4,549,751 lbs., equivalent to 2,063,733 kilos, of yarn and 9,701,630 lineal yards of cloth, or an average of 6,309,176 sq. metres of cloth, an output which was exceeded in 1932.

A rough estimate of the capacity of these two factories might be 7,543,978 kilos of yarn and 57,659,287 sq. metres of cloth.

The local mills can normally produce the coarser grey cloth from the medium count of yarn (i.e. 16, which nearly corresponds to the yarn used by Japanese manufacturers of this quality) by employing a low grade Egyptian cotton, and with this object in view they have been materially assisted by the Egyptian Government by the supply to them of cotton stocks on extended credit at a discount of PT.20 per cantar.

Owing to the relentless competition by Japan in the coarser counts, the local mills have endeavoured to produce different qualities, some of which were entirely supplied by the United Kingdom in former years, especially the plain dyed pongee, so it may be said that in this market Lancashire has not only to contend with Japanese and Continental competition but also with Egyptian factories.

It should also be said that hundreds of spinners using old hand-loom, principally in Lower Egypt, produce the coarser qualities similar to the Japanese drill. These spinners purchase their yarn, dye it in their own primitive fashion, and weave it into the cloth most appreciated by the poorer classes of the population. Since the appearance, however, of the Japanese drill and more recently the "Scotch" quality (a checked article 25 in. wide made from coarse yarn 16 to 20 in dyed yarns) these hand weavers have suffered considerable hardship.

It is understood that the local production of cotton and silk goods represents only 15 per cent. of the market's requirements.

The phenomenal progression of Japanese imports has completely dislocated the market as, owing to the incessantly downward movement of Japanese prices, merchants (wholesalers and retailers alike) can make no profit and very often only incur heavy losses in this business. At the same time, however, they are forced

to deal in these articles owing to the low quotations offered which naturally appeal to a depressed market.

Apart from a certain output by the local mills alluded to above, practically the entire business in the heavier qualities of grey cloth is now in the hands of the Japanese, and even in the lighter varieties Japanese competition is beginning to make headway. The United Kingdom, however, still remains the largest supplier in the lighter qualities and particularly in the finer counts.

Japan has also made enormous progress in the market for the heavier qualities of bleached goods and is beginning to compete in the lighter types. As in the case of grey cloths, the United Kingdom trade still predominates in the supply of the lighter and particularly fine qualities, but Japanese competition in white shirtings is severe and United Kingdom sales of the finer qualities have also been handicapped owing to the progressive replacement of these goods by low priced artificial silk or real silk articles, mostly from Japan, which are imported with apparent profit in spite of the relatively higher import duties imposed on these articles.

Japanese penetration in the market for goods dyed in the piece has been no less outstanding than in the other lines of piece goods, though the United Kingdom still supplies the bulk of these goods.

Japanese manufacturers supplied more than half the market's requirements of goods dyed in the yarn, Italy being the only serious competitor.

United Kingdom imports of printed goods declined very considerably compared with 1931, whereas on the other hand, Japanese competition in a number of qualities which had previously been specialities of Lancashire, at prices some 15 per cent. to 20 per cent. below United Kingdom quotations, was almost impossible to meet.

While the general situation during the year under review was decidedly depressing from the point of view of United Kingdom trade, it seems evident, nevertheless, that the limit of Japanese price cutting must be reached before long as such quotations as, for example, 3d. per yard c.i.f. Suez for flannelette (the equivalent of which costs 5½d. in the United Kingdom) can hardly be reduced to a much lower degree. However this may be, even if prices decline no further, every effort of United Kingdom manufacturers will be required to withstand this formidable competition.

It has transpired that the greatest number of bankruptcies and "concordats préventifs" which took place in Egypt in 1932 were connected with the textile business and, consequently, it may not be inopportune to sound a note of warning to United Kingdom manufacturers on this subject.

At present the price cutting tactics of the majority of merchants show no signs of abatement, with the result that profits obtained are often too small to cover expenses. To counter-balance the

death of profit some merchants are inclined to overtrade and instances are not infrequent when injudicious firms take advantage of their difficulties by asking their creditors to compromise, either amicably or through the medium of the Courts, on a basis of settlement at so much in the pound, which often results in the debtor retaining some capital and restarting his business until the next composition is made, and so on almost *ad infinitum*.

It is a common practice among the majority of local merchants to issue patterns of articles, even the best sellers, to be copied by competing manufacturers in the hope of obtaining their supplies at cheaper rates than those demanded for the original goods, or alternatively, to ask them to produce them in cheaper materials. When repeating orders many local merchants habitually endeavour to induce their suppliers to reduce the price of the article concerned in the hope that they may make some profit, but as the articles are launched on the market on such a narrow margin of profit, it becomes unprofitable to the makers with the result that they are inclined to abandon the market.

The desirability of periodical visits to this market by representatives of United Kingdom manufacturers has already been developed under the heading "Outlook for United Kingdom trade with Egypt," but it cannot be enough emphasised that in no trade are regular visits more necessary than in the textile business. It is generally known that, with very few exceptions, none of the local merchants possess real technical knowledge of the goods in which they deal, and, this in itself provides a strong reason for urging the desirability of periodical visits of manufacturers' representatives.

Suppliers must be prepared to give credit to customers as, except in the case of Japanese goods which are sold at abnormally cheap rates, it is next to impossible to obtain cash payment. In fact, the majority of customers prefer to pay higher rates for extended credit facilities which may vary from 2 to 4 months and, in some cases, for much longer periods. In these days of depression it often happens that a merchant who may be financially sound to-day will not be deserving of credit a few months later and constant vigilance is, therefore, required on the part of the manufacturers' agent.

It must not, however, be considered that the Egyptian market is more risky than any other for, on the contrary, it is still perhaps one of the most worth cultivating. As in the best markets there are still merchants in Egypt, both large and small, of the highest repute and integrity, and as the reputation of United Kingdom goods and British business methods still stands above that of all other countries, United Kingdom manufacturers should find it easy to make attractive contracts provided that they offer the required qualities at competitive prices.

Apart, therefore, from those United Kingdom manufacturers who supply direct to large importing houses, those who desire to

cultivate the Egyptian market should make quite sure that the agents they engage have had experience of the trade and possess sufficient means for their requirements. The latter qualification is particularly required.

It is not desired generally to discredit local agents, of whom many possess most enviable reputations, but rather to support the contentions that the greatest caution should be exercised in the election of manufacturers' representatives and that direct touch should be kept with both agents and clients.

Cotton Waste.—The demand for white and coloured waste is still important and steady. Owing to the depreciation of sterling, Egyptian clients expected United Kingdom firms to quote competitive prices, but they were disappointed. On the other hand, Continental suppliers reduced their prices from 30 per cent. to 35 per cent. and are again in a favourable position. The Egyptian State Railways placed their requirements of coloured waste covering the first six months of 1933 with an Italian firm. Continental firms also allow extended credit and, what is very important, they arrange to supply cotton waste in accordance with the wishes of their buyers in strong canvas bales of either 100 or 50 kilos, with special trade marks, so that these can be easily sold by local retailers.

It is contended in local circles that if careful consideration were given by United Kingdom firms to this particular practice, profitable business would ensue, as the large operating companies prefer cotton waste of United Kingdom origin.

It should be said that only white cotton waste of good quality is sold by local spinning factories and the output of this product, which at present is limited, is confined to Egyptian Government purchases.

Imports of waste of cotton yarn during 1932 were as follows :—

							£E.
From Italy	...	...	...	...	...	...	3,667
From other countries	...	...	...	...	...	...	8,774
Total value							12,441

Woollens and Worsteds.—The figures given in Appendix XIII indicate that the total imports during 1932 were slightly less than in 1931, which is attributed to the impoverishment of local purchasers.

In spite of this fact, it is gratifying to note that United Kingdom imports increased during 1932, while excepting Italy, all other supplying countries lost ground.

Italy was the United Kingdom's strongest competitor and, in spite of her stabilised currency, is increasing her imports into Egypt.

It is considered in local merchant circles that Italian manufacturers study the requirements of the Egyptian market with far greater care than many of their United Kingdom competitors, with particular regard to local taste and climatic conditions.

The necessity for great care in the appointment of agents is as important in the woollens and worsteds market as in that of the cotton piece goods and frequent visits to this country by representatives of United Kingdom manufacturers is imperative.

United Kingdom woollens and worsteds enjoy the highest reputation in regard to quality, design and finish, with the result that the foreign elements and best class of Egyptians usually ask for British cloth. Manufacturers have, therefore, a not unattractive market which only requires careful nursing and a little more enterprise to develop comparatively satisfactorily.

Machinery.—*Electrical Machinery and Apparatus.*—The competition which United Kingdom manufacturers of electrical material have to meet in Egypt is chiefly due to foreign price and credit terms, as the reliable quality of United Kingdom products is fully recognised. The advantage of this factor, however, except in certain cases in Egyptian Government adjudications, is not sufficiently appreciated to weigh the balance in favour of the United Kingdom product when lower foreign prices or easier facilities of payment are in the scale. Unfortunately, in this market, price and appearance count before design and quality.

Total imports of electrical machinery and apparatus in 1932 were valued at £E.635,119 compared with £E.879,202 in 1931. The decline in values of these goods may be partly ascribed to the partial completion of the Egyptian Government's last major power station programme and partly to the general economic depression, but it is encouraging to know that the United Kingdom's share of the trade was quite satisfactory on the whole.

Total imports of generators, motors, and transformers were valued at £E.164,742 compared with £E.192,627 in 1931.

Belgium was a keen competitor for machinery, motors, cables, etc., for which her quotations were low, but that country's imports of other categories of electrical apparatus were unimportant. As Belgian interests own most of the tramway systems in Egypt their manufacturers naturally enjoy what is practically a closed market to their competitors for tramway materials.

At one time Germany was the strongest competitor in electrical goods but during the past year or so, the local branches of two of the most important German manufacturers have drastically curtailed their activities in Egypt.* German manufacturers,

* Nevertheless, the contract for the renewal of the electric light station at the Royal Palace at Montaza was secured by a German firm at the tender price of £E.6,500.

nevertheless, are making great efforts to retain their connection and in certain instances, in order to secure orders for the more important electrical equipment in demand, they have been known to allow as much as 10 per cent. to 20 per cent. discount (described as "Escompte de Fabrique"). German manufacturers still retain the market for electro-medical apparatus, though the total import of these goods in 1932 fell to £E.8,838 from £E.12,932 in 1931. United Kingdom supplies of this line was negligible. There are also several cheap makes of German radio sets on the market, but they are not in popular demand.

Competition from France was unimportant as far as electrical machinery is concerned, but French manufacturers were well placed in the market for sundry electrical apparatus, wiring accessories and certain material for town distribution systems. The quality is popular, prices are low, and facilities of payment fairly readily accorded.

Italian manufacturers compete in the smaller class of machinery at very low prices and some important factories have found a ready market. Italian heavy machinery for power houses and similar plant has not made much progress. Italian supplies of electrical fittings still compete strongly in the cheaper market and for several years past certain Italian fans have dominated the market. United Kingdom manufacturers find it difficult to compete in these lines.

The United States of America provides no serious competition in electrical machinery, but the high quality of their electric refrigerators and radio sets, in particular, and also domestic appliances assure American manufacturers of a certain market in spite of their relatively high quotations.

There is scope for United Kingdom manufacturers to enter the market for refrigerators.

Dutch competition has been chiefly felt in the business in electric cables, particularly the heavy types—underground and submarine. Dutch firms are enterprising and display unusual readiness to meet every possible condition that is calculated to secure any important business offering. Dutch competition in other electrical apparatus (excepting radio sets) is negligible. Swiss firms do no business in electrical machinery but they offer apparatus and appliances of the smaller types at extremely low prices. So far, however, they have made little headway except in respect of domestic switchgear. All efforts on the part of United Kingdom and foreign manufacturers have so far failed to displace the switchgear produced by one particular Swiss firm.

Import statistics of certain categories of electrical apparatus are shown in Appendix XX.

The local demand for electric lamps is mostly met by Dutch, Austrian, United Kingdom, and German makes, but a certain competition in cheap quality lamps, mostly for motor requirements, is now being experienced from Japan. It is worthy of

record that the largest United Kingdom lamp selling organisation in Egypt more than doubled their sales in 1932.

It is difficult to particularise as to the extent and probable development of demand for electrical machinery, apparatus, and accessories; but it seems safe to assume that the progressive development of the Egyptian Government's various schemes of electrification must bring in its train an increased demand for this class of goods.

The difference in prices quoted by Continental manufacturers of such articles as, for example, lamp holders, switches, plugs, etc., as compared with United Kingdom quotations is still considerable, but the superiority of the United Kingdom article cannot be challenged. Unfortunately, the present inclination to economy favours the cheap Continental articles on the grounds that they serve the purpose required.

Engineering Materials.—The market for engineering materials, though affected by the general trade depression, still remains of considerable importance for manufacturers.

From Appendix XVI it will be seen that, whilst total imports of non-malleable cast iron pipes, of iron, steel or malleable cast iron tubes, pipes, and joints (both common and coated) and of structural iron and steel declined very materially, the United Kingdom's share of the trade was, with the exception of the last named category, rather on the up grade, and United Kingdom imports of iron or steel hoops increased seven fold. The general business in iron and steel bars showed a marked decline and the economies effected in the Egyptian State Railways' purchases reduced imports of rails and fishplates very considerably.

The Egyptian Government purchases of cast iron pipes and accessories amounted in 1932 to a total value of £E.18,580, of which £E.9,860, or 52.5 per cent., represented the United Kingdom's share of the trade, the remainder representing for the most part purchases from French firms. A United Kingdom firm also secured an important private order valued at some £E.50,000. Belgium is the strongest competitor in the open market for cast iron soil and rainwater pipes, their lower prices being largely ascribed to freights from Antwerp being lower than those from United Kingdom ports. The bulk of the trade in galvanised sheets has passed from United Kingdom to Belgian firms, the latter being able owing to lower freights, to underquote their United Kingdom rivals. Egyptian Government Departments were the main purchasers of steel pipes, United Kingdom orders exceeding £E.6,000 in value. Belgian and German competition remained particularly severe in mild steel bolts, nuts, and rivets, and United Kingdom prices were hardly competitive for the commercial qualities. There was some competition in the trade in cocks and valves, but United Kingdom's prices were competitive with Belgian and German quotations. United Kingdom hand tools sold reasonably well, though competition from inferior types of

German tools had to be met. German lifting tackle which is of light weight and good design is sold at considerably cheaper prices than that of United Kingdom make.

Although the smaller types of United Kingdom crude oil engines (semi-diesel) have virtually a monopoly of the general market, Continental suppliers of the large types of prime-movers provide very dangerous competition in Egyptian Government contracts, particularly in regard to the requirements of the Department of Municipalities and Local Commissions and to a considerable extent to the Ministry of Public Works. Similarly, United Kingdom centrifugal low lift pumps continued to compete well in the small cultivator market, Switzerland being the strongest competitor, whereas Continental products competed very keenly where the larger pumps required for Government irrigation and drainage purposes were concerned.

From the import figures in respect of stationary internal combustion engines shown in Appendix XIX it will be seen that, United Kingdom imports have met with serious competition from the cheap German products. The business in stationary steam engines, though materially reduced compared with 1931, remained for the most part in the hands of United Kingdom manufacturers. United Kingdom manufacturers dominated the market for agricultural machinery.

Machine Tools.—Imports of machine tools during 1932 amounted to a value of £E.52,248, as against £E.36,218 in 1931, but this increase was probably mainly due to purchases by the Egyptian State Railways.

German competition was most marked, the prices quoted being so low that competition by United Kingdom manufacturers was rendered almost impossible. The Continental machines are far lighter in weight—and they seem to be designed with a view to reducing manufacturing costs and freight.

Motor Vehicles.*—The depressed conditions ruling in 1932, were reflected in the motor market to such an extent that the value of total import of motor vehicles, parts and accessories declined from £E.642,804 in 1931 to £E.398,084 in 1932.

From Appendix No. XXI, it will be seen that Italy improved her position in the market for motor cars, but even that difference in value may be more ascribed to the currency factor than to any increase in sales. The fact that the United Kingdom continued to head the list of supplying countries, though with a sadly decreased import, may also be largely ascribed to the question of currency, but having regard to the fact that no separate heading is given in the official import statistics for motor omnibuses, it can only be assumed that the 41 buses valued at £E.45,239 imported

* Information regarding the market for commercial motor vehicles may be obtained on application to the Department of Overseas Trade.

in 1932 for the Cairo omnibus concession must be included under the heading "Motor Cars and Chassis."

There was perhaps less movement in the second hand car market due to the general depression, and the business in accessories, such as mascots, extra lighting equipment, etc., was exceedingly quiet as compared with former years. This decrease, however, is largely attributable to the fact that cars are now supplied as standard complete with practically every accessory required.

The effect of the Egyptian Government's restriction of commercial motor traffic, to which reference is made under that heading, was disastrous to the trade in these vehicles and was particularly disappointing from the point of view of American and United Kingdom manufacturers, for whereas the former lost a normally attractive market, the latter also missed the special opportunity presented to them owing to the large American producers having recourse for their supplies to their associated British works in view of the depreciation in the United Kingdom and Egyptian exchange.

The limited orders placed annually by Egyptian Government purchasing Departments were not, of course, affected by the licensing restrictions, but as orders were reduced to a minimum for reasons of economy, even that market was of negligible value.

The Cairo Tanzim Department purchased during the first quarter of 1933 motor vehicles for sweeping, watering, collecting, etc., to a total value of £E.23,274, of which the United Kingdom's share was £E.17,093.

Motor Omnibus Operations.—The above were restricted in the same manner as goods haulage by road, but this did not affect the operations of the Société Anonyme des Automobiles et Omnibus du Caire (still very generally known as the Egyptian General Omnibus* Co., S.A.) whose provisional concession in 1930 for operation of seven of the main routes of the capital was ratified by Parliament and extended to 14 routes on the 6th July, 1932. This concern operates about 170 up-to-date United Kingdom motor omnibuses.

It is understood that two concerns of the Fayoum Oasis, viz. The Fayoum Light Railways Co. Ltd. and the Société Anonyme des Omnibus de Fayoum, have secured permits for the operation of motor omnibus services in the Fayoum, Beni Suef, and Giza areas which should involve between them the operation of about 90 omnibuses or more.

The only development of the motor omnibus question in Alexandria was the formation in September of the Société Anonyme des Autobus d'Alexandrie, which took over an existing concern, serving four routes in the suburban areas.

* A Royal decree dated June 8th, 1933, authorised the changing of the name of the "Société Anonyme des Automobiles et des Omnibus du Caire" to the "Egyptian General Omnibus Co., S.A."

Another concern, the Express Motor 'buses Co., have continued to exploit 50 omnibuses over 6 Alexandria and suburban routes.

Three tenders were submitted to the Alexandria Municipality for a concession for the exploitation of four of the city routes, but the adjudication was cancelled on the ground that pending the settlement in the Mixed Courts of the Alexandria and Ramleh Railway Co.'s case, no new bus concessions would be awarded.* The Government Board of the Ramleh Tramways, however, approved in June, 1933, the opening of a credit of £E.9,000 for the purchase of motor buses for operation on the Corniche road. (An order for 10 motor buses was subsequently placed in the United Kingdom).

About 20 motor omnibuses of the light chassis type operate in the Canal area.

United Kingdom manufacturers would be well advised to examine very carefully the potentialities of prospective agents before placing their representation and, once they have decided on the most suitable candidate, to stipulate that a certain quantity of spare parts must be carried. Also they should make it imperative that adequate arrangements for service be made before placing their agencies, as at present not a few agencies of United Kingdom firms exist where no adequate service facilities are available. This situation will ultimately react to the detriment of United Kingdom car sales and largely offset any development of sales which may be evident at the moment.

Cement.—Import statistics of cement shown in Appendix XXII hardly indicate the general market situation in 1932 as about half of the total import consisted of United Kingdom cement required for the Aswan Dam Heightening Works.

The import trade has been very badly affected by the economic depression, the high incidence of import and excise duties, and the preference given to the local product in Egyptian Government adjudications which includes preferential railway rates. Although, however, sales were generally affected by the universal depression and the consequent reduction in purchasing power, they were mildly hit compared with other commodities owing to the widely increasing range of uses for cement and the progressive application of reinforced concrete as a building medium in Egypt. It may be assumed that there are approximately 20/30 large buildings each costing roughly £E.40/50,000 constructed in Cairo

* The Mixed Court of Appeal confirmed the judgment of the Court of 1st Instance on the 11th May by which the action brought against the Egyptian Government and the Municipality by the Alexandria and Ramleh Railway Co., Ltd., for forceful dispossession was dismissed. The Appeal Court ordered that the experts appointed by the Court of First Instance should submit their report regarding the amount of indemnity payable to the Company for the system within six months of the date of judgment. In June, 1933, the Egyptian Government decided to pay to the Company £E.200,000 in August, 1933, as a preliminary payment, the final account to be fixed by the Mixed Courts.

annually, though building in the other large towns and in the Provinces appears to be more restricted.*

On account of its established reputation for quality, United Kingdom cement is still finding a market, but unfortunately this has been greatly reduced. The local production of cement, which is now estimated at about 270,000 tons, can be extended to 450,000 tons, but it is understood that the installations at Tourah and Helwan were made on a scale of output capacity far in excess of local requirements. As export is almost out of the question owing to neighbouring countries possessing their own works or showing preference for imports from other sources than Egypt, it would seem that the local works have been over-capitalised for the market for which they may be expected to cater. The lead of the local producers has been followed by Dalmatian interests, who cut prices to a corresponding extent, although the latter's sales have diminished from an average of 75,000 tons per annum to 25,000 tons. Dalmatian cement cannot be taken as a grave menace to United Kingdom trade, as the United Kingdom product is sold on the score of accepted quality, a distinction not applicable to the cheaper grades of Continental cement. The situation is, nevertheless, serious for the United Kingdom cement trade, when allowance is made for the high incidence of an import duty on a superior quality product of 300 m/ms per ton plus 1 per cent. *ad valorem* and 10 per cent. of the import duty for quay and paving dues, to which has to be added the excise duty of 300 m/ms per ton (applicable both to imported and local cement). The United Kingdom product now has to contend with a 25 per cent. difference in price with the local cement in the open market and is practically excluded from the majority of Egyptian Government contracts.

Sanitary Ironware.—In the past United Kingdom manufacturers enjoyed practically a monopoly of the Egyptian market for iron flushing cisterns,† but recently a local bedstead factory at Cairo has turned out cast-iron flushing cisterns which they are selling at lower prices than those quoted for the United Kingdom article.

There is a certain though limited import of brass interiors for porcelain cisterns from the United States of America and some cheaper makes of cast-iron painted cisterns have been imported from Belgium, Germany, and Czechoslovakia, but the importation of these cisterns ceased after the departure of the United Kingdom from the gold standard.

The estimated number of the cheaper type of cistern annually imported is between 20,000 and 30,000.

* A general analysis of the division of prices for various materials required for a modern building indicating sources of origin may be obtained on application to the Department of Overseas Trade.

† Information in regard to the market for these goods may be obtained by application to the Department of Overseas Trade.

There is no demand in Egypt for cisterns made of galvanised sheet.

The main reason for the earlier popularity of the foreign product as distinct from the United Kingdom article was its cheapness, as in Egypt, where so large a proportion of the population has a definitely low standard of living, price must inevitably be the most important consideration. Continental manufacturers also allow credit up to 4 months, a facility which the United Kingdom suppliers appear to hesitate to accord. As foreign manufacturers have adopted the style "Best Niagara" for two types of their cisterns, it is suggested that United Kingdom manufacturers should add the words "made in England" to their superscription as their products are still preferred to others.

Coal.—Total imports of coal and anthracite in 1932 amounted to 1,033,385 metric tons valued at £E.1,094,411 compared with 1,163,553 metric tons worth £E.1,312,184 in 1931. Of this total the United Kingdom's share amounted to 936,149 metric tons valued at £E.997,480 compared with 1,078,123 metric tons worth £E.1,216,157 in 1931.

The U.S.S.R., who furnished 53,742 metric tons valued at £E.57,277, increased her import by some 8,400 tons and it is said that Russian anthracite rubbly culm has very seriously penetrated the market. American imports declined by some 8,000 metric tons, that country's share of the trade in 1932 being 22,230 metric tons valued at £E.20,924. Germany, though a minor competitor in the coal market, is still by far the largest supplier of patent fuel and coke, viz :—

Imports of Briquettes.

	1932		1931	
	Metric tons	£E.	Metric tons	£E.
United Kingdom ...	2,230	3,174	4,248	5,876
Germany ...	39,035	48,928	45,039	58,621
Total (including other countries) ...	41,315	52,164	49,792	65,247

The maintenance of Germany's business in patent fuel was mostly due to the large quantities required for the Assouan Dam Heightening works, the German prices being cheaper than United Kingdom quotations.

Of the total imports of coke, mostly for the requirements of the Gas Co. and the Tramways, amounting in 1932 to 12,244 metric tons of a value of £E.17,664, Germany furnished 9,461 metric tons worth £E.13,082, which represents a material increase compared with 1931, notwithstanding the fact that the total imports during the year under review declined by some 2,500 metric tons. The

United Kingdom was Germany's only competitor in this business with a trade diminished approximately by half.

Polish and Turkish coal interests made great efforts to enter the Egyptian market, and, though the latter were not successful, the Skarboferm pits shipped a trial cargo of 7,000 tons to Egypt in March, 1933.

The general condition of the coal market during 1932 was far from healthy as cut-throat competition was the order of the day for the limited business available. A number of local coal merchants went out of business in consequence.

The decrease in import was due to several reasons, of which the following are perhaps the more pertinent :—

(1) In the summer of 1932 fuel oil was sold at very cheap prices with the result that a number of normal consumers of coal substituted fuel oil. Recently prices for fuel oil have advanced but many purchasers have still to receive balances on their contracts with the result that coal has not yet benefited from the change.

(2) Owing to the reduction in train services for reasons of economy, the Egyptian State Railways' coal consumption figures declined from 400,000 tons in 1931 to 330,000 tons in 1932. (The United Kingdom is still the sole supplier to the Egyptian State Railways).

(3) Owing to the general economic depression and to the reduction in the cotton crop, many up-country ginning factories have been slack, and cultivators have reduced their coal requirements to a minimum, preferring to burn cotton and maize sticks whenever possible.

(4) Diesel engines are replacing steam engines in many directions, though recent advances in oil prices may possibly tend to retard this change for the present.

Prospects for the coal trade in 1933 hardly indicate much improvement, for whilst the Egyptian Government have permitted increased cotton cultivation on the one hand which must mean greater consumption of coal for irrigation and ginning purposes, rigid economies in Government administration and the depressed economic situation of the population (unless there is a rapid return to prosperity) will, on the other hand, undoubtedly mean reduced purchases of coal by both Government Departments and the public.

Provisions.—Owing to the change in classification of commodities in the 1932 Customs returns, it is impossible to analyse to any degree of accuracy, the proportion of trade done by each country supplying *biscuits*, but while the value of competing imports has declined by some 15 per cent., the United Kingdom's share increased by 14 per cent. Belgium remained the most important competitor with Italy in the next place, but as the value of the United Kingdom's share of the trade amounted to about 86 per cent., the result was satisfactory.

Imports for 1931 and 1932 were as follows :—

					1931 £E.	1932 £E.
United Kingdom	...	...	...	...	20,537	20,390
Other countries	...	...	...	...	7,740	3,351
Total					28,277	23,741

The average value per kg. for all countries, excluding the United Kingdom was PT.6.1 in 1931 and in 1932 it rose to PT.8.7. This increase is exactly proportionate to the appreciation in gold values during the same period, from which it must be deduced that there was no reduction in prices of Continental biscuits, but that the depreciation of sterling diverted an important proportion of trade to United Kingdom factories.

It is interesting to note that although the Belgian share of the total value of imports amounted to only 15 per cent., that country's proportion of the total volume of trade was no less than 35 per cent. This appears to indicate that there is a large consumption of cheap biscuits in Egypt for which United Kingdom manufacturers do not cater.

With regard to the United Kingdom product, approximately 12 per cent. of the total value is accounted for by packing charges, which undoubtedly add considerably to the delivered cost of the goods. Some Continental manufacturers on the other hand, invoice packing free while others charge at rates substantially below those ruling for United Kingdom goods.

Customs duties amount to £E.2 per 100 Kilos net (including weight of inner container) + 1 per cent. *ad valorem* + 10½ per cent. of import duty.

A special freight which would permit of empties being returned would reduce charges under this head and thus permit of lower quotations.

Total value of imports of *jams, jellies* and the like, was as follows :—

	1931	1932
Average value per Kg.	£E.12,183	£E.11,076
	PT. 4.54	PT. 4.49

The Customs returns do not indicate the distribution of imports during 1932, but from the fact that the average value per kilo fell about 1 per cent., while the average gold value over the year increased by approximately 20 per cent. over 1931 values, it must be concluded that the United Kingdom's share of total imports increased very materially. Up to the present the local production of jam, protected as it is by an import duty of £E.1,200 per 100 Kilos net + 1 per cent. *ad valorem* + 10½ per cent. of duties, does not appear to have affected the import trade to any serious extent.

Minerals and Aerated Waters.—Total imports of these goods remained more or less steady during the year under review, the total value of imports during 1932 being £E.24,190 compared with £E.24,484 in 1931. Foreign and local competition was so severe that the United Kingdom's share of the trade is now almost negligible. Although the prices of French mineral waters have risen by approximately 15 per cent., United Kingdom waters, which are still about 50 per cent. above those of competitors, have been prevented from deriving any advantage owing to the high duties

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imposed on imported waters—and still more on containers—which renders British prices almost prohibitive. As the Egyptian Government refuse to accord a drawback on empties the United Kingdom trade is practically paralysed.

Canned Fruits.—Total imports in 1932 were valued at £E.10,704 compared with £E.15,449 in 1931, the average value per kilo being about PT.2½. The United States of America remained the chief supplier, with Italy in the second place, but as these countries were then both on the gold standard, and consequently were compelled to increase their prices, it may be concluded that the United Kingdom's actual share of the trade increased appreciably during the year under review. Of course, it must be remembered that a considerable proportion of the tinned fruits shipped from the United Kingdom are re-exports, but the tendency of prices for these will have been in an upward direction. The proportion of these goods of United Kingdom origin, however, appear to have increased considerably, and, therefore, this line would appear to offer interesting scope for development. (Customs duties on these goods amount to 850 m/m per 100 Kilos gross + 1 per cent. *ad valorem* + 10½ per cent. of duty for quay and paving dues).

Confectionery.—The market for chocolate products and cocoa during the year 1932 was satisfactory from the point of view of United Kingdom trade, the percentage of which showed a marked increase compared with the three previous years, whereas on the other hand Continental business declined materially.

The following comparative import statistics of chocolate and cocoa indicate the advantage held by United Kingdom manufactures in a highly competitive market, the total import of which declined in 1932 by over 25 per cent. compared with 1931.

Imports of Chocolates.

	1932		1931	
	Kilogs.	Value £E.	Kilogs.	Value £E.
United Kingdom ...	145,657	19,457	85,002	13,638
Belgium	99,101	7,165	160,859	12,503
France	12,899	1,568	25,928	2,796
Holland	27,850	1,751	44,837	3,525
Italy	21,841	3,893	45,000	6,447
Switzerland ...	43,833	4,955	91,810	12,323
Total, including other countries ...	363,507	40,329	462,269	52,678
<i>Imports of Cocoa</i>				
Beans	112,464	3,406	53,884	2,351
Ground*	98,774	3,850	66,712	2,868

* Mostly from the United Kingdom.

It would seem from the above that Continental business in the cheap chocolate trade has been practically eliminated by the incidence of the high protective duties on this commodity which amount to 30 per cent. *ad valorem*, plus 1 per cent. additional duty *ad valorem*, plus 10 per cent. of the total duty for quay and paving dues. Local works have practically captured the cheap trade and the one large factory produces covering chocolate, but the decline in sterling has enabled United Kingdom manufacturers to compete very successfully with the higher grade chocolates imported from Holland, Switzerland and Italy. The foreign competition most felt has been in milk moulded shape chocolate and in covering chocolate, but in both commodities the enterprise of United Kingdom manufacturers and their agents has met with encouraging success.

Spirituous Liquors.—The port and sherry trade of the Iberian peninsular which is almost exclusively in British hands has been adversely affected by reason of the distinction made in customs and excise duty between these wines and similar dessert wines on the one hand and other still wines. The Customs import duty on all wines is 25 per cent. *ad valorem*, but on wines containing over 13 degrees of alcohol, excise duty is payable at the rate of PT.12 per litre of pure alcohol. As ports and sherries average 18 degrees, the additional charge on each bottle works out at more than PT.2. Similarly the cheaper Cyprus wines, which contain 14 to 15 degrees of alcohol have been severely hit as a result of the low tolerance at present allowed. These duties, in both the superior and cheaper trades, definitely favour Continental wine growers at the expense of the British trade.

Attempts have been made to introduce South African and Australian wines, but, unfortunately, it has not so far been possible to market these wines at competitive prices.

From the following figures showing the values of imports of spirits during 1932 compared with the two preceding years, it will be seen that the trade in whisky remains important, in spite of a certain tendency for immature and cheap whiskies to be supplied to small bars in the interior.

Imports

	1930 £E.	1931 £E.	1932 £E.
Brandy	142,387	101,686	82,130
Whisky	120,463	113,268	102,721
Other distilled spirits	25,171	17,945	18,056

Hides, Skins, Leathers and Footwear.—Imports of skins, hides, and leathers of different kinds amounted in value to £E.94,828 in 1932 compared with £E.97,976 in 1931 including the following:—Leather varnished, lacquered, moroccoed, or dyed, not elsewhere specified:—

					1932 £E.	1931 £E.
United Kingdom	...	...	...	...	5,047	3,043
U.S.A.	...	...	...	...	29,954	25,166
Germany	...	...	...	...	18,176	20,381
France	...	...	...	...	11,512	16,174
Other countries	...	...	...	...	12,619	11,456
Total					77,308	76,220

Except in certain grades of leather, which cannot be produced locally, the import trade in these goods is on the decline. The United Kingdom still supplies chrome leather (exclusive of butts), certain heavy leathers, cup leathers, and pump leathers. United States of America mills supply kid and patent leathers with Germany and France competing; and France, Czechoslovakia, the United States of America, Germany and Belgium supply box calf leathers in the order named. Fancy leathers are imported from India.

Local competition is also steadily increasing in the market for made up leather goods, production now being extended even to footballs. Imports of leather goods, including hides, skins, and furs but excluding footwear were valued at £E.202,814 in 1932 compared with £E.234,699 in 1931.

The local production of leather footwear, which now forms by far the largest and most important factor in the market is increasing at the expense of the imported article and there is a steady improvement in quality, though in general the local product is not yet up to the standard of the imported article.

Imports of leather footwear were valued in 1932 at £E.43,541 compared with £E.84,029 in 1931; of these totals the United Kingdom's share amounted to a value of £E.5,481 in 1932, representing a decrease of £E.13,549 compared with the previous year.

The following competing countries' share of the trade amounted to:—

					1932 £E.	1931 £E.
Czechoslovakia	...	...	...	...	25,911	29,712
Italy	...	...	...	...	829	7,749
France	...	...	...	...	3,369	9,161
Germany	...	...	...	...	2,481	6,553

A number of factories are situated at various centres, notably at Cairo, Alexandria and Damietta, though the majority (with one exception) are small concerns employing a few workmen only. All Egyptian Government orders for uniformed services which amount to about 27,000 pairs of regulation boots per annum, are

now executed by local suppliers (including the Egyptian Army Factory) on a preferential basis. With regard to the general market situation, however, it is commonly held that the most important factor in the eclipse of foreign-made boots and shoes is price, in which the very high customs tariff is decisive.

Total imports of rubber and crêpe-soled and fabric footwear in 1932 amounted to a value of £E.21,390 representing a slight increase compared with the previous year, and imports of rubber shoes were valued at only £E.846 compared with £E.1,666 in 1931. Japan supplied the largest quantities of rubber-soled footwear, the United Kingdom trade being confined to the limited demand for the high quality article for sports wear. Up to the present rubber-soled footwear has not been produced in Egypt but indications appear to point to encouragement of local manufacture by the imposition of protective duties, which at present amount to PT.4 per pair of rubber or crêpe-soled shoes.

Although the largest proportion of the local output is by hand labour, there is, nevertheless, a growing market for light hand machinery and small machines, as the greatest part of the shoe-shod population requires footwear of average quality but especially cheap in price. All the local factories, with the exception of one at Cairo appear to use German machinery. The Bata company possess a factory for repair work, in which German machinery is also installed, whilst the one in Cairo uses partly British and partly French machinery. This concern contemplate extending their production to rubber-soled shoes. The Egyptian Army factory at the Citadel is said to be able to produce about 10,000 pairs of boots per annum. In spite of Government preference local factories appear to have had a hard time to make both ends meet, a situation which is ascribed to the poor type and quality of the local labour supply. Prospects for any extensive sales of heavy plant are, consequently, remote.

Chemicals and Pharmaceutical Products.—Total imports of the above during 1932 amounted to a value of £E.532,163 compared with £E.524,206 in 1931. France remained the most important supplier of medicines and pharmaceutical preparations with an import valued at £E.72,645 (compared with £E.82,969 in 1931) out of a total import from all sources valued at £E.174,606. The United Kingdom remained France's nearest competitor with £E.39,734 (£E.45,458 in 1931) and Germany remained in the third position with £E.26,477 (£E.25,476 in 1931). The United States of America and Italy followed with £E.14,481 and £E.11,182 respectively. Germany and the United Kingdom tied for the first position in the market for miscellaneous chemical products. Out of a total import valued at £E.45,818 (£E.46,823 in 1931) Germany furnished to a value of £E.13,463 and the United Kingdom £E.13,453, but whereas the latter's trade declined by about £E.700, the former's increased by over £E.1,000.

Imports of artificial indigo amounted to 184,806 kilos valued at £E.23,968, compared with 95,723 worth £E.11,661 in 1931. Of this trade the United Kingdom obtained one third of the volume and almost half the value, viz. 61,079 kilos valued at £E.10,021, while on the other hand the German volume of trade accounted for 89,893 kilos though the value of that country's contribution was only £E.9,725. German and United Kingdom imports in 1931 were 52,955 (£E.5,634) and 26,253 (£E.4,182) respectively.

The United Kingdom obtained a good share of imports of coal tar dyes, her contribution being 60,351 kilos valued at £E.11,946 out of a slightly increased total import of 154,992 kilos worth £E.46,268. United Kingdom imports increased by 20,999 kilos in volume and £E.4,980 in value compared with 1931.

Germany's share of the trade was 52,686 kilos valued at £E.24,415 compared with 71,748 kilos worth £E.18,151 in 1931. Italy came next in order with 20,245 kilos valued at £E.4,233 representing an increase of 7,495 kilos in volume and £E.2,352 in value compared with the previous year.

The incidence of the high import duties (15 per cent. *ad valorem*) on "packed blue" dyes have seriously affected a stable United Kingdom industry.

Chemical Fertilisers.—The most striking feature in the Egyptian trade of chemical manures in 1932 was the heavy decline in imports of Chilean nitrate of soda. Whilst for a period of eight years such imports never came below 121,835 tons (1924) and one year reached even 193,125 tons (1929), the 1932 figure was only 77,122 tons.* This was partly but not fully made up for by increased imports of other nitrates. Nitro-chalk† from the United Kingdom thus more than doubled the import figure for 1931 when 10,161 tons were imported as against 24,365 tons in 1932 and the Germano-Norwegian nitrate of lime increased imports from 68,819 tons in 1931 to 82,094 tons in 1932, whilst the United States of America increased their imports of calcium nitrate to 7,956 tons in 1932.

The imports of sulphate of ammonia also show a marked increase in 1932 when they reached 9,202 tons, a figure unsurpassed since 1920 with the one exception of the year 1925 (when imports of sulphate of ammonia were 9,565 tons), whilst in no other year since 1920 did they exceed 5,000 tons. In 1932 the United Kingdom was the main supplier of sulphate of ammonia with 4,896 tons.

The decline in the total imports of chemical manures in 1932, as compared with 1931, is undoubtedly due to the heavy fall in the price of agricultural produce in Egypt during 1932, especially for cereals, onions, beans and vegetables. Cotton, on the other

* The Crédit Agricole purchased 10,000 tons of this fertilizer at the close of the year and—

† 1,600 tons of Nitro-chalk.

hand showed a slight price improvement over 1931. The winter crops (cereals) have always in Egypt been the main outlets for nitrogenous manures, whilst cotton, although the main crop of the country and even at present prevailing prices the most profitable one, takes less nitrates, and indeed the tendency seems to restrict the application of nitrogenous manures for cotton. Superphosphate which is not of direct interest to United Kingdom trade in Egypt, and which is now mainly imported from Greece and Algeria, has suffered a very severe setback during the last two years with the result that imports are now about one third of what they were when the highest import figures were reached a few years ago. Belgium and Holland have dropped out as suppliers and no doubt the continually falling prices rendered sea transport from the North sea too heavy an item. Although in most countries superphosphate manufacture is no longer a paying industry, a local body of interested firms and individuals are seriously considering the creation of a superphosphate and sulphuric acid factory in Egypt. It may perhaps be permissible to say that this is a reasonable speculation in the future, as Egypt has the possibilities for consumption of increased quantities of these products.

The outstanding event in the Egyptian fertilizer trade in 1932 was the conclusion of a barter transaction between the Egyptian Government and German bankers for the exchange of 50,000 tons of German nitrate of lime for cotton. It is interesting to note in this connection that the Egyptian Government seem to meet greater difficulties than expected in the disposal of this fertilizer of which half the quantity only has been shipped to Egypt but still remains intact in Alexandria.

For the distribution of fertilizers the Government depends on the Crédit Agricole d'Egypte. This semi-official bank with the permanent Under Secretary of State for Agriculture on its Board of Directors is mainly concerned with helping the Fellaheen over the crisis by supplying seeds, fertilizers, etc., on credit and granting loans for other agricultural purposes. It enjoys many privileges in its fertilizer trade, such as storing facilities and the prerogative of intimate collaboration with Government bodies for distribution, sale, and for the collection of outstandings through the Government tax collectors. This state of affairs has considerably changed the conditions in the fertilizer trade of the country and only a scrupulously impartial attitude towards the suppliers of fertilizers justifies its unique position in the trade.

The Royal Agricultural Society (an agricultural co-operative society) which until about 1924 was the chief distributor of fertilizers in Egypt has since lost much of its trade owing to Government competition. In the autumn of 1931 the Royal Agricultural Society converted most of its stores into independent agencies and this is believed to have somewhat stimulated its fertilizer trade.

Falling prices have been the tendency on the fertilizer market

for a couple of years and since the official Chilean nitrate of soda price in 1931 was reduced to PT.950 per ton f.o.r. Alexandria, a further reduction has taken place in January, 1933 to PT.875 and prices have since come down to PT.860 and even to PT.840 from outsiders. The prices of synthetic nitrates (nitro-chalk and nitrate of lime) have come down in consequence and now sell at PT.825 f.o.r. Alexandria.

Gramophones and Records.—Importers of gramophones and records consider that the comparatively high rates of the tariff on these articles have caused prejudice to the trade as traders find it impossible to make a sufficient profit to cover the heavy expense that this business entails. As these goods cannot be manufactured in Egypt the rates of duty charged, viz., 15 per cent. *ad valorem* for gramophones and records, are presumably imposed in the nature of a luxury tax.

The following figures indicate the decrease in imports of records :—

	1929	1931	1932
	Doz.	Doz.	Doz.
United Kingdom	23,562	7,447	6,183
Germany	32,747	17,663	10,347
Total including other countries ...	63,439	29,099	19,623

Imports of gramophones amounted to a value of £E.17,546 in 1932, compared with £E.28,323 in 1931, of which the United Kingdom's share amounted to £E.5,763 and £E.7,025, and that of Germany to £E.8,818 and £E.15,872, respectively, for 1932 and 1931.

Wireless Receiving Apparatus.*—The fact that the new Egyptian Broadcasting Station is due to begin operating in the autumn has produced a marked increase in the interest being shown in the potentialities of this market by manufacturers of wireless receiving apparatus. There would appear to be an obvious market for sets of the following kinds :—

- (a) An inexpensive, fool-proof radio receiver for local programme work, in both battery and mains types, which would normally consist of two or three valves.
- (b) A more expensive receiver for distant reception, in both battery and mains types with selective as well as sensitive properties.

It is probable that the Egyptian Government will encourage radio reception throughout the country, not excluding the villages, where instruments for communal reception will, it is believed, be installed.

* Market information in regard to this business may be obtained by application to the Department of Overseas Trade.

American manufacturers have introduced a nine-valve super heterodyne which covers both short and medium wave lengths. The advent of the B.B.C Empire Short-wave Broadcasting Service has increased the demand for receivers capable of reception on the short wave band. Climatic features affect clear reception in Egypt since from the middle of March to the end of October atmospheric conditions are so bad on the medium and long waves as to make enjoyable reception impossible. There are, of course, some nights free from atmospherics, but these are few. During these months short-wave reception is usually very good, but it falls off about the end of September or middle of October to about the end of February. As these two periods overlap, a receiver covering the long, medium, and short-wave bands would give good service all the year round.

Service is an important factor in developing the business in radio receivers and advertising is of paramount importance.

There is a number of private Broadcasting stations in Cairo and Alexandria which function without official sanction. Three of these are established in Cairo and nine in Alexandria. All of these stations transmit gramophone records and their sole revenue is derived from advertising, but these concerns will cease operations as soon as the official station at Abu Zaabal (near Cairo), which is now in course of construction, begins to operate. It is not yet decided whether a relaying station at Alexandria will be necessary.

The following figures indicate the values of imports of telegraph, telephone, and wireless equipment, which are, unfortunately, grouped together for statistical purposes :—

Apparatus, telegraph and telephone, <i>ordinary</i>				1932 £E.	1931 £E.
From :—					
United Kingdom	...	...	...	6,934	45,959*
Other countries (Mostly Germany and Sweden)				1,563	9,580
Total				8,497	55,539
Apparatus, telegraph and telephone, <i>wireless</i>					
From :—					
United Kingdom	...	...	...	12,904	12,788
Germany	...	...	...	7,060	6,070
Holland	...	...	...	8,486	3,658
U.S.A.	...	...	...	26,365	19,267
Other countries	...	...	...	4,687	4,248
Total				59,502	46,031
Grand Total				67,999	101,570

* See section "New Works Executed" under the heading "Egyptian State Telegraphs and Telephones."

Surgical Instruments.—Total imports of surgical, medical and veterinary apparatus and instruments in 1932 amounted to a value of £E.27,662 (of which the United Kingdom supplied to a value of £E.13,416 and Germany £E.10,007) compared with £E.48,362 in 1931 (United Kingdom £E.16,951; Germany £E.18,880). The probable reason for the heavy decline in imports was that the Egyptian Government, who are the largest purchasers of this equipment, made important additions to their hospital equipment in 1931 whereas they economised in 1932. The proportion of United Kingdom imports shows a gratifying increase; total imports from all other countries declined very materially.

The completion and equipment of the Moslem Benevolent Society's Hospital "Al Moassat" at Alexandria at a total cost of between £E.160,000 and £E.180,000 represents an important addition to the hospitals of Egypt, but, unfortunately, a very considerable proportion of the equipment so far ordered will be obtained from Germany. Some not inconsiderable orders, however, for instruments and appliances have been definitely placed in the United Kingdom.

The above Society are also contemplating the equipment of a Free Dispensary and almshouse within the hospital precincts.

Sports Goods and Indoor Games.—Imports of indoor games and toys were valued in 1932 at £E.40,880 compared with £E.45,063 in 1931. While Germany is the largest supplier of these goods, Japan is now competing very strongly at the expense principally of France and to a lesser extent of the United Kingdom and the United States of America. High quality games and toys of United Kingdom production are still the most popular, but in spite of the depreciation of sterling the local reduction in purchasing power has undoubtedly affected this business. There are, nevertheless, openings in this trade.

Sports Goods and Athletic Equipment.—This is one of the very few trades which showed increased imports in 1932. With the growing interest taken by all classes of Egyptians in outdoor sports, this increase is likely to be maintained. United Kingdom manufacturers secured over 75 per cent. of the total trade in 1931, which amounted to a value of £E.25,404, while in 1932 out of a total import valued at £E.28,369 the United Kingdom's share appears to have been maintained. Tennis balls, and golf balls and clubs are almost entirely supplied by the United Kingdom but some footballs are now being made locally. Polo gear comes principally from India and also a proportion of the cheaper tennis racquets, and competition from France and Italy is increasing in the last named. In view of the limited means of the majority of young Egyptians, the demand for low-priced sports goods is likely to increase more rapidly than that for first class articles. This

is equally true of sports clothes and, in this connection, it should be said that German and Italian manufacturers of tennis and football shirts are gaining ground.

Mineral Oils. — An appreciable increase in prices of oil products in Egypt which took place in October, 1932, and has been maintained up to the present, led to a controversy between the Egyptian Government and distributors. It is to be hoped that a solution of this problem will be reached in the near future.*

Statistics showing imports, exports and local production of oil and oil products appear in Appendices Nos. XXIII and XXIV.

Safes. — The market for safes is small, imports in 1932 and 1931 respectively being valued at only £E.2,407 and £E.2,298. From 1875 until soon after the war, United Kingdom safes held the market, but since then it has been found increasingly difficult to compete with cheap Continental and locally made safes. At present a cheap and not unattractive Austrian safe seems to be popular in the general market, and Egyptian Government Departments, which are by far the largest purchasers of safes, have for several years obtained their requirements from a small factory in Cairo which appears to be able to supply at considerably lower prices than those asked for the superior United Kingdom product. The import duty on safes and parts amounting to £E.1 per 100 Kilos gross weight plus 1 per cent. *ad valorem*, plus 10 per cent. of the total duty for quay and paving dues has materially assisted the local product.

The local banks occasionally have strong-rooms installed, which are usually supplied by United Kingdom manufacturers and the requirements of safes are usually for superior types to those installed by the Egyptian Government.

Imports of cash and deed boxes in 1932 amounted to only £E.101 in value as against £E.215 in 1931. Import duties on these goods are £E.1.200 m/ms per 100 kilos gross weight plus 1 per cent. *ad valorem*, and 10 per cent. of the duty for quay and paving dues.

The Egyptian Government's requirements of these boxes and of steel filing cabinets, steel bookcases, etc., have recently been met by local works.

Paints and Varnishes. — Out of a total import of varnishes valued at £E.21,365, the United Kingdom supplied 50 per cent. The development in local production of varnishes and floor polishes has affected United Kingdom trade in these goods.

The United Kingdom also predominated in the supply of certain categories of oil colours and enamel paints, her import being valued at £E.19,774 out of a total import worth £E.31,632.

* Material reductions in prices have since been made.

Soaps.—Total imports of toilet and medicinal soaps were valued at £E.20,438, the United Kingdom's share being £E.14,891, both these figures representing a decline of about 50 per cent.

Imports of common hard soap declined from 6,159,776 kilos valued at £E.208,916 in 1931 to 4,574,340 kilos worth £E.150,345 in 1932. Palestine remained the chief supplier with 2,257,180 kilos valued at £E.88,728, the United Kingdom being in the second place with 1,352,727 kilos valued at £E.35,344. Greece's share of the trade was about half that of the United Kingdom and that of France only amounted to roughly one fifth of the United Kingdom's import.

The effect of the increase in import duties on carbolic soap in tablets and on toilet soap from 15 per cent. *ad valorem* to PT.400 per 100 Kilos has very seriously affected this old established import trade.

The strength of local competition in the soap trade may be gauged by the fact that during the past year the number of soap factories in Egypt has risen from 52 to 93. It is said that this development is due to the reduction of customs duties on imported oils for soap production and to the excessive duties imposed on imported soaps.

Bedsteads.—The import duties on metal bedsteads, which now amount to 23.1 per cent. *ad valorem* have so reacted against United Kingdom trade in these goods that factories which formerly supplied annually to Egypt some thousands of pounds worth of bedsteads and parts, are now, to all intents and purposes, excluded from this market.

Imports of metal bedsteads and parts in 1929 were valued at £E.149,881, of which the United Kingdom furnished £E.77,588, but in 1931 the total import fell to £E.20,948 of which the United Kingdom's share was £E.11,033. In 1932 the total import was only £E.8,952, that of the United Kingdom being £E.5,938.

In all the Egyptian Government contracts for the supply of bedsteads, for which there is not an inconsiderable demand, a definite discrimination in favour of the locally finished product has been maintained.

The largest local factory situated in Cairo, where bedsteads are assembled, used to obtain square, hollow brass rods from the United Kingdom, but lately, in company with other industrialists, they seem to have turned more to Germany and Belgium for their requirements.

Enamelled Ware.—The value of imports of enamel ware declined from £E.71,278 in 1931 to £E.57,245 in 1932. In the category comprising manufactures of sheet iron or steel coated with plain enamel lacquer, copper or tin, the United Kingdom's share in the trade in 1932 amounted to a value of £E.4,532 (representing a certain increase compared with 1931), while that of Japan increased by

nearly £E.3,000 to £E.9,331. German imports remained almost stationary at £E.5,063, while Austrian imports declined materially to £E.3,523.

In the category manufactures of sheet iron or steel coated with decorated enamel or nickel, the value of total imports declined by some £E.10,000 to the very modest figure of £E.24,739. The United Kingdom was the chief supplier with an increased import of some £E.1,500, her total of £E.13,014 representing rather more than half of the total trade.

The local enamelled ware factory at Alexandria began effective work early in 1933, and is still more or less in an experimental stage. Owing, however, to the heavy protection afforded by the 40 per cent. *ad valorem* duty on imported articles, the local firm may be expected to capture a considerable amount of the business. Their daily output is said to be at present some $3\frac{1}{2}$ tons, an amount which may be increased to 5 tons, which represents approximately the total daily consumption of enamelled ware in Egypt.

United Kingdom suppliers of raw materials might be well advised to cultivate this possible market.

Cinematograph Industry.—Since the report dated July, 1931, was written, the relative position of the more important film producing countries has remained almost stationary. American and French studios are responsible for about 90 per cent. of the total product imported, the balance being distributed between Great Britain, Germany and Italy in the order named. A few films of local manufacture have also appeared during the past year and have met with a considerable amount of success.

Certain British films are being exploited but they amount to a mere handful, and the films which are found in this country have been purchased outright by one or two individual renters.

The supply in general has exceeded the demand, and there are a number of renters with quite a considerable percentage of their films still on their hands and with little hope of obtaining profitable bookings.

The demand for films has also remained practically stationary, as little or no development has been made throughout the country in the erection of further cinemas. The only difference from previous years is that sound films are now in universal demand. In this connection it may be pertinent to remark that owing to the advent of cheaper talking equipment, almost every cinema, is now equipped with some sort of sound installation.

It had been the policy of quite a number of the more important cinemas in Egypt to screen French talking pictures in preference to the American and English talking picture, owing to the predominance of the French language. It is remarkable, however, that the cinemas who have systematically adhered to the policy of providing only American and British talking pictures are obtaining far and away the highest box office receipts.

The most important American producing companies have their own representatives in this country, e.g. Metro-Goldwyn-Mayer, Paramount (American and French productions), Fox Film Corporation, Universal Films, etc.

The French producers, having no direct representation, appoint local distributors to take care of their interests on a profit sharing basis.

The American companies who are not directly represented in this country, dispose of their films to local distributors on a profit sharing basis, generally stipulating minimum guarantees. A deal was recently made in Egypt with an important American Film Corporation for the whole of their 1932-1933 product, consisting of twenty films, the local distributor concerned paying 22,000 dollars in cash as minimum guaranteed profits; anything over and above this sum obtained from rentals to be apportioned between the Corporation and the distributor on a 60 per cent.—40 per cent. basis respectively.

The prices paid for films by exhibitors are as follows :—

For first release the film is hired on a percentage of the gross box office receipts, the renter taking from 45 per cent. to 55 per cent. according to the importance of the film. A really good feature film will produce weekly from £E.800 to £E.1,200, gross, according to the cinema.

Second release theatres normally pay a " *prix à forfait* " and generally offer from £E.50 to £E.60 for an average feature.

Further releases realise a sum in the vicinity of £E.70 to £E.80.

General.—It would appear that nothing effective has been done by the British studios to introduce their films into Egypt, notwithstanding the wonderful opportunity which was presented when Great Britain went off the gold standard.

The United Kingdom producing companies still maintain their attitude of insisting on outright purchase, and do not appear to be keen to compete with the American or French method of supplying features on a profit sharing basis. This attitude may be due to lack of faith in the Egyptian market, but it is now the practice of the more important exhibitors in this country to visit the Continent and United Kingdom every year for the purpose of booking films, and it is suggested that if some scheme were devised whereby local exhibitors could be brought into more intimate contact with the distributing firms in the United Kingdom, it is more than likely that this fear might be dispelled.

There is still a demand for good English talkies, and it is felt that the possibilities of this market, as a commercial proposition, would be well worth serious consideration. To judge from trade reports, British films are gaining substantial ground in other countries to the disadvantage of the American product, and there, therefore, seems to be no reason why, if the same enterprise were displayed in regard to this territory, Egypt should not become an important market for the outlet of British films.

It is gratifying to be able to record that sales of United Kingdom sound equipment are beginning to develop in Egypt with satisfactory results.

Permission was granted in January, 1933, for importers to be allowed to view films on arrival in Egyptian ports before paying Customs duties, in order to decide whether they are suitable or not for exhibition in Egypt.

It was also decided in March, 1933, to permit films required only for education purposes to be imported duty free in accordance with the agreement drawn up by the League of Nations.

Imports of photographic and cinematographic films and apparatus during 1931 and 1932 were as follows :—

	1932 £E.	1931 £E.
Films, cinema, sensitised not exposed ...	4,237	2,922
Films, cinema, developed, positive ...		
United Kingdom ...	2,297	2,025
France ...	27,029	24,286
Germany ...	6,759	3,739
U.S.A. ...	16,146	19,780
Other countries ...	3,187	3,026
Films, cinema, talking ...	55,418	52,856
Films, sensitised, non-cinematographic...	4,463	1,902
	19,823	16,164
	83,941	73,844

Imports of Photographic and Cinematographic Apparatus during 1931 and 1932

	1932 £E.	1931 £E.
Apparatus, photographic and cinemato- graphic ...	13,815	15,490
Projection lanterns, without cinemato- graph movement ...	868	2,388
	14,683	17,878

Miscellaneous Goods.—The value of imports of cotton gin belting declined from £E.24,724 in 1931 to £E.13,927 in 1932, while imports of other types were negligible. The United Kingdom remained the chief supplier of fabric belting but met with considerable competition from Germany, Austria and Belgium in the market for leather belting. Local competition in this line is still weak. Italian, Belgian and Japanese manufacturers compete for the supply of canvas hose, but United Kingdom firms frequently secure Government orders for fire fighting hose owing to the superior quality required.

United Kingdom firms supply the limited demand for foundry crucibles but Italian manufacturers hold the market for asbestos (board, powder and string) owing to their cheap quotations.

The market for sporting cartridges is once again inclining to the United Kingdom product since the departure from the gold standard, but Continental competition is still severe.

Barter Schemes.—Among the schemes fostered by foreign interests with the ostensible object of developing mutual trade with Egypt may be included the following :—

(1) Presumably encouraged by the willingness of the Egyptian Government to barter cotton for fertilizers, German manufacturers of wheat milling and rice hulling machinery submitted proposals for exchange of cotton against the machinery required in connection with the programme of construction of silos and grain elevators envisaged by the Ministry of Agriculture and the Department of Commerce and Industry. A similar proposal was made by Hungarian interests.

(2) Hungarian industrial interests proposed to the Egyptian State Railways to supply material in exchange for cotton, but this scheme did not mature owing possibly to the rigid policy of economy conducted by the Egyptian State Railways.

(3) A Hungarian firm offered to supply machinery to the State Domains Administration to a value of £E.1,500 against payment in pengos. As the Egyptian Government held £E.250,000 worth of pengo bonds paid for 100,000 cantars of cotton sold to Hungary on which, owing to exchange restrictions in that country, they are unable to realise either capital or interest, the scheme was perhaps not unattractive.

(4) Swedish manufacturers of roller bearings offered to supply the Egyptian State Railways with 3,000 roller bearing axle boxes against payment in cotton, but no decision had been reached by that Administration by the close of the financial year.

Local Industries (other than Agricultural).—In spite of the Egyptian Government's efforts to encourage all kinds of local industries, Egyptian capital perhaps not without reason remains shy of these undertakings, with the result that the Government and the Banque Misr alone have to bear this self-applied burden. The former have placed funds at the disposal of the local bank for purposes of advances to industrialists and have guaranteed a part of the risk involved thereby. (See Appendix XXXVI for particulars of advances reserved for industrialists). The Ministry of Finance has been authorized to approve credits for this purpose up to £E.15,000, but the disbursement of larger sums must be approved by the Council of Ministers. The Government have also under examination the elaboration of fresh legislation with the object of giving facilities to the smaller industries by the acceptance of machinery in guarantee of a loan without necessitating the removal of the plant.

Apart from the high protective duties imposed on all goods competing with local products and the 10 per cent. preference in Government adjudications, the Egyptian Government also stipulate that purchasing departments must confine their requirements of footwear, carpets, rugs, and mats (excluding linoleum) to goods produced from local raw materials. Similarly only furniture of local manufacture may be accepted. The practice of the

Government, however, has been to go beyond these conditions, as it seems that carpets, footwear, leather goods, cotton clothing, cotton wool, etc., made up in Egypt only are accepted.

Local Industries Fostered by the Department of Commerce and Industry.—The model carpet factory, which began to function in 1930, now employs some 200 operatives and was able during 1932 to supply all the requirements of the Egyptian Government.

The new glass factory at Kafr el Zaghari has yet to be equipped with the requisite machinery, which is expected to be installed before the close of the present financial year.

The model spinning factory which was opened in 1931, purchases wholesale the machines and equipment necessary for the operatives. It is mainly an experimental and instructional station.

The model dye works, which began operations in 1931, also serves as an instructional station, while at the same time it dyes gratuitously a limited quantity of yarns.

Other existing model factories include a tannery, and a factory for reeling silk cocoons, while projects under examination (apart from those referred to elsewhere in this report) comprise a jute factory and vegetable oil works.

Other projects under examination include the construction of a sulphuric acid plant for the production of superphosphates and the erection of a research laboratory with the object of creating new industries such as paper, vegetable oil extraction, soap, colours, printing ink, milk foods and varnishes.

Mines and Quarries.—Geological researches in Egypt have proved that, apart from oil, the desert possesses many varieties of minerals such as phosphates, manganese, alum, iron oxide, sulphate of magnesia, red lead, topaz, copper, and gold.

Appendix XXXI indicates the :—

- (a) Number of prospecting permits accorded or annulled.
- (b) Quantities of minerals exported from Egypt from 1928 to 1932 inclusive.
- (c) Value of production.
- (d) Number of quarries under exploitation.

From these figures it will be seen that the production of oil has declined somewhat in 1932 while that of manganese, red lead and iron oxide has fallen to a negligible amount owing to lack of demand, with the result that the majority of the mines have closed down. The decline in the manganese industry has been particularly due to the dumping of the Russian product and to the high incidence of the Canal dues. On the other hand the output of phosphates far exceeded expectations. The last named product has competed successfully in certain markets with the American variety. The number of persons normally employed in the mining industry in Egypt is about 3,000, but owing to the depression under which the industry is suffering, this number has been considerably reduced.

During the year under review 1,165 quarries were working, their production comprising granite, basalt, stone, rock, etc.

With the object of encouraging these local industries, the Department of Mines and Quarries propose to execute the following projects :—

- (1) Creation of a factory for the granite industry at Assouan.
- (2) Exploitation of a basalt quarry at Abou Zabal.
- (3) Construction of a road between the old marble deposits at Beni-Suef and the Nile.

The Egyptian Government Petroleum Refinery has up to the present, been unable to supply more than half the requirements of the Egyptian Government and Municipal services as appears in the following table :—

Commodity	Consumption of Services		Production of the Government Refinery	Difference purchased from Oil Companies
	Liquid Tons	Tins Tons		
Benzine	3,625	1,789	2,400	3,014
Kerosene	2,181	1,989	1,680	2,490
Diesel & Mazout	30,007	—	10,200	19,807
Mazout	12,371	—	10,000 (appr.)	2,371 (appr.)
Asphalt	7,230	—	—	7,230
Fluxing Oil	400	—	.400 (app.)	—

Although the Refinery was constructed to produce some 200,000 tons of petroleum annually it can, however, produce considerably more than this amount.

Among other projects the programme of the Department of Mines and Quarries envisages the following developments :—

- (1) The installation of a machine of the same type as that used by the Anglo-Egyptian Oilfields Ltd., which is expected to give higher benzine results than the ordinary pressure filter.
- (2) The construction of asphalt works (for which a credit of £E.12,500 has been approved).
- (3) The construction of a factory for the production of other petroleum bye-products.
- (4) Construction of a large depôt at Alexandria to receive imported petrol.
- (5) A small depôt at Cairo for distribution of the Government Refinery's production.

Statistics of production of the refinery of the Anglo-Egyptian Oilfields, Ltd., appear in Appendix XXIV.

Fisheries.—The Egyptian Fisheries in 1932 produced 36,131 metric tons compared with 37,956 metric tons in 1931. Exports amounted to 1,531 metric tons in 1932 compared with 856 metric tons in 1931, Palestine absorbing practically the whole amount.

The Egyptian fishing industry gives employment to some 60,000 fishermen. The fleet is of the same composition as stated on page 87 of the report of July, 1931.

With a view to the development on more modern lines of the local fishing and sponge fishing industry, proposals are under examination by the Egyptian Government which, if adopted, will mean the purchase of tractors, hydroplanes and aeroplanes equipped with wireless.

The exhaustion of certain sponge beds, to which reference was made on page 90 of the Report dated July, 1931, was reflected in the export of sponges which declined to 259 kgs. in 1932 from 2,050 kgs. in 1931.

Exhibitions and Congresses 1932-1933.—The XIIth International Railway Congress was held in Cairo from January the 16th, 1933, when it was formally opened by His Majesty the King of Egypt, until the 30th of that month.

Concurrently with the assembly of the Congress, a railway museum was instituted to make the foundation of a technical science museum for Egypt. The building erected to house the very interesting collection of some 600 models and exhibits is an extension of the Cairo main station and was completed in October, 1932.

The museum, which is securing very good daily gates, also contains a collection of technical data and statistical records illustrating as far as possible the evolution of the Egyptian State Railways Telegraphs and Telephones Administration.

The IXth International Tourist Congress was formally opened by His Majesty the King of Egypt on February the 16th, 1933.

Concurrently with the assembly of this Congress, an exhibition of motor vehicles, aircraft, and alimentary products under the auspices of the Royal Automobile Club of Egypt was also opened by the King. The exhibition, though of limited size, comprised an attractive exhibit of the products of leading United Kingdom and foreign motor manufacturers, and the one aeroplane shown by the Misr Airwork Company was of United Kingdom manufacture.

In spite of a certain hesitation on the part of many United Kingdom manufacturers to participate, it would seem that some United Kingdom manufacturers secured sales directly due to the exhibition. A United Kingdom exhibit which aroused wide interest was a car and caravan trailer which had successfully travelled across France and overland from Tunis to Cairo.

The "Office National Italien de Tourisme" (E.N.I.T.) was also responsible for the inauguration of an attractive display of Italian tourist propaganda, which was housed in the Palace of Her Royal Highness Princess Kamel el Dine.

This exhibition was opened on February the 18th, 1933.

It is proposed to hold the International Aviation Union Congress in Cairo in December, 1933, when an international air race will take place.

A credit of £E.6,500 was sanctioned in April, 1933, for the participation of Egypt in the Chicago World's Fair.

The Egyptian Government also decided to participate in the Paris and Bari Exhibitions.

The next International Postal Congress will be held in Cairo in February, 1934.

Approval was recently given for the inclusion in the current budget of £E.50,000, £E.47,000 in the budget of 1934-35, and £E.23,000 in that of 1935-36, for the completion of the building and equipment of the Agricultural Museum which has been in course of creation since the autumn of 1930.

III.—TRANSPORT AND COMMUNICATIONS

Shipping.—The number of steamers which transitted the Suez Canal in 1932 was 5,032 representing 28,340,000 net tons, of which tonnage 55.47 per cent. was British. Statistics indicate a decrease in the number of vessels in 1932 as compared with 1931. The decrease in tonnage was 1,688,000 net tons as compared with 1931 and 3,280,000 net tons as compared with 1930—the British share in the decrease being 189 steamers and 903,000 net tons as compared with 1931, and 338 vessels and 1,879,000 net tons as compared with 1930.

The following figures indicate the proportions of shipping using the Suez Canal in 1932 :—

	Vessels	Tonnage Net Tons
United Kingdom	2,787	15,721,000
Germany	431	2,506,000
Holland	342	2,364,000
France	332	2,037,000
Italy	316	1,609,000
Japan	262	1,440,000
Norway	179	861,000
United States of America	82	526,000

German tonnage decreased by 3,315,000 net tons. Japan, Italy and Norway increased their tonnage by 287,000 net tons, 185,000 net tons, and 115,000 net tons respectively. Soviet tonnage which amounted to 548,000 net tons declined by 73,000 net tons.

The quantity of cargo transported through the Canal in 1930 amounted to 23,632,000 tons compared with 25,332,000 tons in 1931 and 28,511,000 tons in 1930, or a decrease of 6.7 per cent. in 1932 as compared with 1931 and 17.12 per cent. as compared with 1930.

Cargo transported in British bottoms was 13,318,276 tons or 56.31 per cent. of the whole, compared with 14,107,000 tons or 55.69 per cent. in 1931.

The total number of passengers transitting the Canal in 1932 was 261,774 or a decrease of 8,883 compared with 1931.

Statistics of arrivals of shipping at the principal Egyptian Ports will be found in Appendix XXXVII.

Transport of Pilgrims.—The Egyptian Government again placed the 1932 contract for the transport of pilgrims to the Hedjaz with a local concern, the Alexandria Navigation Company, who again sublet the contract to the Khedivial Mail Line. The latter successfully conducted the transport arrangements, but, only 2,200 pilgrims embarked.

In May, 1932, the Council of Ministers approved a concession in favour of the Société Misr pour le Transport et la Navigation for a period of 20 years with effect from the year 1934 for the transport of pilgrims to Jeddah, in spite of the fact that the local concern have had no experience whatever in sea transport neither have they at present the organization, vessels,* or dry docks with which to undertake the work required.

The Khedivial Mail Line obtained the contract for the 1933 pilgrimage transport in their own name, but, owing to the economic depression the number of pilgrims carried was only 1664.

Port Dues.—The question of the high rate of port dues charged at Alexandria, which formed the subject of diplomatic representations to the Egyptian Government by certain Powers, was under examination by the competent authorities during the year under review, with the result that it was decided to modify the rates applicable to tourist vessels and ships performing the operations cited in the Ports and Lights Administration's circular notice of the 6th June which appears in Appendix XXXVIII. The International Chamber of Shipping and the Egyptian and Foreign Chambers of Commerce had estimated that the adoption of these reduced charges would decrease the State revenue by some £E.42,500 (or about 26 per cent), but it was contended that this loss would be recovered by the increased volume of shipping which would use the port.

The concession in regard to tourist vessels brings the charges down to much the same level as those charged at Port Said, and that in respect of ships not performing the operations of loading, but of discharging cargo, or vice versa, removes a long felt and justifiable grievance. It is believed that the electrification of the Government dry dock will result in a material decrease in charges therefor.

The shipping companies have since petitioned the Egyptian Government to reduce dues on cargo vessels regularly serving Alexandria and Near Eastern ports, but no decision has yet been taken by the competent authorities in this regard.

The fear of competition by Haifa so exercised the local press during the past year, that few opportunities were lost of urging the Egyptian Government to put into effect some scheme for the improvement of Alexandria harbour and the reduction of port and quay dues.

* Since the above was written, the Misr Shipping Co., is reported to have acquired two vessels of about 8,000 tons.

Concurrently with this press campaign an Anglo-German group submitted a scheme to the Egyptian Government, which they had previously discussed with competent officials, involving the drainage of Lake Mariut, the excavation therein of a new petroleum harbour, and the construction of an aerodrome. This scheme was referred to the Egyptian Government's Consulting Engineer, but as the International Commission of Experts, which had very exhaustively examined in January, 1926, all possible means of developing Alexandria Harbour, had then submitted certain definite recommendations which for reasons of economy, had not so far been put into effect, but were fully comprehensive, it seems unlikely that the Egyptian Government will embark for some time to come on any great expenditure on harbour improvements. The question, however, of the much needed petroleum basin and nitrate quays at Alexandria was again carefully examined by the Minister of Communications in June, 1933.

Freights.—The comparatively high rates of freights on building materials, machinery, and other heavy goods from the United Kingdom has caused considerable complaint among importers of British goods, many of whom have been compelled to desert British shipping lines in favour of Continental services from Hamburg or Antwerp. While doubtless United Kingdom shipping lines find themselves tied to conditions which it may be difficult to overcome, it would seem, nevertheless, that some quite particular effort must be made to hold the comparatively important cargoes which at present are being diverted to foreign bottoms.

Air Communications.—In contrast to the previous year very considerable progress was made in Civil Aviation during 1932.

Imperial Airways Services.—The authorisation for the twenty year operation of the Imperial Airway's routes to and from Egypt was signed, the Misr Airwork Co. started functioning, and negotiations were entered into between the Italian and Egyptian Governments for the operation across Egypt of a service by an Italian air transport concern. The operation of the whole of the route to the Cape by Imperial Airways was started during the year under review and carried on successfully and regularly, the number of passengers for Central African destinations being much in excess of even the most optimistic forecasts.

The company continued to provide regular services between the United Kingdom, Egypt, Palestine, Iraq and India.

Misr Airwork Services.—The " Société Misr Airwork," which began operations in June, 1932, was formed by the Banque Misr in association with Messrs. Airwork, Ltd.

During the first seven months of existence, this company produced the following quite satisfactory results:—

Number of hours flown	...	...	...	...	1,450
Number of passengers carried excluding pupils	...	...	...	...	2,300
Number of pupils instructed	...	...	...	...	91
Number of pupils who obtained "A" certificates	...	...	...	...	14

A number of pupils are also taking courses of instruction for commercial certificates.

The company possesses a fleet of :—

- 2 De Havilland Dragon 10-Seater Air Liners.
- 5 " Gipsy Moth " instructional machines.
- 1 " Puss Moth " with cabin to carry 2 passengers.
- 1 " Fox Moth " with cabin to carry 3 and 4 passengers.

The company have also successfully carried out aerial photography and they provide service facilities for the seven private owners of aeroplanes.

They arrange excursions to provincial centres and carry out taxi flights between Cairo and Alexandria and to provincial centres.

The Egyptian Government granted a subvention in 1933 to the Misr Airwork Co. for the creation of three air lines between Cairo-Alexandria, Cairo-Assouan, and Alexandria-Mersa-Matruh. The first line (for which purpose two large aeroplanes have been purchased) will begin operations in July and services will continue throughout the year; the second will be confined to the winter and the third to the summer seasons.

It was also decided to inaugurate soon after the Cairo-Alexandria service an air line between Cairo and Port Said and Suez.

Netherlands Air Mail Service.—The temporary authorisation for this service was renewed as and when necessary during the year.

Air Service between Austria and Egypt.—A service primarily for the transport of flowers, fruit, and vegetables from Egypt to Austria was exhaustively discussed during the year between the competent departments of the Egyptian Government and Austrian interests.

It seems, however, that little progress was realised.

Wireless and Cables.—The Tripartite Cable Agreement covering Anglo-Egyptian cable and wireless operations was signed on July the 21st, 1932, between the Egyptian Government and the Marconi Company of Egypt (the Egyptian subsidiary of Imperial and International Communications, Limited).

Simultaneously with this agreement, the Tripartite Wireless Telephony Agreement was signed whereby the concession granted the Marconi Company in 1931 was brought into operation and the service was ceremonially inaugurated on June the 22nd when messages were exchanged between the Minister of Communications and His Majesty's Post-Master General, the Prime Minister and the Lord President of the Council, the High Commissioner and

the Permanent Under Secretary of State for Foreign Affairs, and the Egyptian Minister for Foreign Affairs and the Egyptian Minister in London. Concurrently with the signature of these two agreements a contract was signed entrusting to the Marconi Company the operation of a broadcasting service against an annual cash payment.

On September the 18th the direct wireless telephone service between Egypt and Australia was opened, and subsequently the United Kingdom—Egypt telephone service was connected with most European countries.

As stated on page 95 of the Report dated July, 1931, the cable system of the Eastern Telegraph Company (now merged in Imperial and International Communications, Limited) provides Egypt with extremely efficient cable communications with all parts of the world.

IV.—SOCIAL QUESTIONS

Labour.—Early in the year the Director of the International Labour Bureau Office, who visited Egypt at the invitation of the Egyptian Government to study labour conditions and formulate suggestions, submitted numerous recommendations by means of which the general status of labour in Egypt might be improved.

As a result of these recommendations, the Egyptian Government formed at the close of the year a Superior Advisory Labour Council, comprising officials and representatives of employers and workers, with the mission to advise the Government in regard to labour legislation and policy, to secure co-ordination between the various Departments concerned with labour, and to guide the labour office in planning the various appropriate enquiries and in correctly interpreting results. Things have advanced so well that in February, 1933, two laws governing the employment of women and of children respectively were adopted by the Chamber of Deputies.

There were no strikes of any importance during 1932.

Cost of Living.—Although there was a general slump in the wholesale prices of commodities during the year under review, the shortage of money among all classes of the population more than counterbalanced any fall in prices.

To the fellah who owes his taxes, rent and debts in piastres, the Egyptian Government's decision to retain their currency link with sterling gave greater relief than any other measure, but generally, in spite of the poorer classes' frugal requirements, distress was very marked.

Nevertheless, it was upon the proprietors of middle and large estates with their higher standard of living and generally with an encumbrance of debt, that the crisis pressed most severely.

Although business interests complained—quite justifiably—that no profit could be obtained in respect of commodities and that the market was “dead,” little if any difference was noticeable in hotel rates, and there was no evidence of any decrease in prices charged by grocers, chemists, wine merchants, etc., as far as European and upper and middle class Egyptian clientèle were concerned. This situation, of course, was very largely due to the increase in customs dues in respect of a number of comestibles, beverages, drugs, etc. On the other hand, there was a certain decrease in retail prices of textiles, due mostly to Japanese competition.

Railway rates were not decreased to any material extent until the second quarter of 1933, when a system of combined tickets for railway transport and hotel accommodation at very much reduced rates—in some cases 40 per cent.—for visitors at the seaside was adopted.

Professional fees remained at exactly the same level as in previous years.

Housing.—Considerable building activity continues in Cairo and Alexandria and many fine apartment houses of seven and eight storeys have been erected during the past two years in both cities. Rents, though somewhat lower than in previous years continue to be high, and there seems to be no tendency at present for these to fall to any appreciable extent.

Various schemes for the rebuilding of the Bulac quarter of Cairo have been under consideration recently.

An important London financial group are understood to have secured options on several building sites in Cairo in connection with a scheme for the construction of a series of garden cities.

APPENDIX I

FOREIGN TRADE OF EGYPT.

Year	Total Imports	United Kingdom Share	Per Cent.	Total Exports	United Kingdom Share	Per Cent.
1902 ...	14,814,684	5,447,116	37	18,046,939	9,317,547	51
1903 ...	16,753,190	5,919,404	35	19,539,524	10,163,062	52
1904 ...	20,559,588	6,990,689	34	20,811,040	10,979,760	52.7
1905 ...	21,564,076	6,927,598	32.1	20,360,285	10,629,853	52.2
1906 ...	24,010,795	7,856,655	32.3	24,877,280	13,408,986	54
1907 ...	26,120,783	8,487,000	33.4	28,013,185	15,154,000	54.8
1908 ...	25,100,397	8,264,813	33	21,315,673	11,147,800	52.3
1909 ...	22,230,499	6,743,678	30.3	26,076,239	13,099,910	50
1910 ...	23,552,826	7,311,218	31.0	28,944,461	14,343,381	49.5
1911 ...	27,227,118	8,557,296	31.4	28,598,991	13,958,058	48.1
1912 ...	25,907,759	7,991,000	30.8	34,574,321	16,022,000	46.3
1913 ...	27,865,195	8,496,000	30.5	31,662,065	13,648,000	43.1
1914 ...	21,724,606	7,061,405	32.5	24,091,796	10,450,000	43.4
1915 ...	19,364,712	8,740,448	45.2	27,046,872	13,935,000	51.5
1916 ...	31,136,752	15,070,000	48.8	37,461,763	19,930,000	53.2
1917 ...	33,175,139	14,129,000	42.6	41,060,612	24,444,000	59.5
1918 ...	51,155,306	27,077,635	53.0	45,370,020	30,543,000	67.3
1919 ...	47,409,717	21,840,957	46	75,888,321	40,222,821	53
1920 ...	101,880,963	37,894,760	37.1	85,467,061	36,343,284	42.5
1921 ...	55,507,984	16,937,839	30.5	36,356,062	17,045,830	47
1922 ...	43,333,938	14,731,695	34	48,716,418	23,037,260	47.2
1923 ...	45,276,963	14,771,677	32.6	58,387,327	28,354,293	48.5
1924 ...	50,736,918	13,993,584	27.5	65,733,935	31,955,625	48.6
1925 ...	58,224,895	14,660,664	25.18	59,198,662	26,167,972	44.2
1926 ...	52,400,059	11,405,666	21.76	41,759,391	18,921,153	45.3
1927 ...	48,685,785	12,482,606	25.6	48,340,503	19,138,089	39.6
1928 ...	52,043,969	11,326,242	21.7	56,165,256	21,532,193	38.3
1929 ...	56,274,912	11,913,569	21.2	52,186,625	18,221,312	34.4
1930 ...	47,488,328	9,676,767	20.4	31,941,592	11,011,716	34.9
1931 ...	31,528,167	7,134,515	22.6	28,073,630	10,159,805	36.2
1932 ...	27,425,691	6,586,724	24.0	26,987,417	10,373,014	38.4

APPENDIX II

BALANCE OF TRADE.

From 1st Sept. to 31st Aug.	Imports £E.	Exports £E.	Excess of Exports over Imports £E.
1922-1923	44,453,116	53,561,788	+ 9,108,672
1923-1924	47,440,590	64,109,696	+ 16,669,106
1924-1925	56,257,511	67,952,808	+ 11,695,297
1925-1926	55,973,075	52,855,630	- 3,117,445
1926-1927	48,230,223	45,823,055	- 2,407,188
1927-1928	51,565,388	54,310,983	+ 2,745,595
1928-1929	55,284,397	57,195,388	+ 1,910,991
1929-1930	54,056,988	39,722,029	- 14,334,959
1930-1931	34,252,374	29,330,695	- 4,921,679
1931-1932	29,302,119	26,996,794	- 2,305,325
Average for 10 years...	47,681,578	49,185,887	+ 1,504,309

NOTE.—The above figures of Egypt's Foreign Trade do not by themselves give a complete picture of the national balance sheet. To obtain this, it would be necessary to include also the invisible imports and exports. Data are not available from which these can be estimated with any approach to accuracy.

APPENDIX III

SUMMARY OF VALUE OF IMPORTS INTO EGYPT—BY CATEGORIES.

Categories	1932	1931	Increase or Decrease in 1932
	£E.	£E.	£E.
1. Living animals and products of the animal kingdom	564,607	867,226	— 302,619
2. Products of the vegetable kingdom	2,961,197	4,131,570	— 1,170,373
3. Animal and vegetable fatty substances, greases, oils and waxes and alimentary fats	408,267	398,919	+ 9,348
4. Products of the food preparing industries, beverages, alcoholic liquids, vinegar and tobacco	1,623,682	1,883,199	— 259,517
5. Mineral products	3,162,678	2,929,393	+ 233,285
6. Chemical and pharmaceutical products, colours, varnishes, perfumery, soap, candles, gelatine, explosives and fertilisers... ..	3,053,093	3,228,735	— 175,642
7. Skins, hides, leather, furs and articles thereof	202,814	234,699	— 31,885
8. Rubber and manufactures thereof	197,359	207,594	— 10,235
9. Wood, cork, articles thereof and articles made of plaiting materials	994,879	1,163,794	— 168,915
10. Paper and its applications	708,166	759,970	— 51,804
11. Textile materials and textiles	7,610,470	7,790,571	— 180,101
12. Footwear, hats, tarboushes, umbrellas, parasols and sticks; articles of fashion	191,096	250,812	— 59,716
13. Wares of stone and other mineral materials, pottery, glass and glassware	570,501	598,028	— 27,527
14. Precious metals, pearls, precious stones, and coins	273,347	488,355	— 215,008
15. Common metals and manufactures thereof	2,020,289	2,678,738	— 658,449
16. Machinery and apparatus and electric material	1,701,378	2,142,379	— 441,001
17. Means of transport	603,344	1,064,328	— 460,984
18. Scientific and precision instruments and apparatus, horological wares and musical instruments	244,692	339,610	— 94,918
19. Arms and ammunition	46,848	66,322	— 19,474
20. Miscellaneous goods and products, not elsewhere included	268,643	291,307	— 22,664
21. Works of art and articles for collections	18,341	12,618	+ 5,723
Total of Imports	27,425,691	31,528,167	— 4,102,476

APPENDIX IV

VALUE OF IMPORTS FROM PRINCIPAL COUNTRIES.

Country	1932 £E.	1931 £E.
United Kingdom	6,586,724	7,134,515
British Mediterranean Possessions (1)	184,044	233,838
British India (2)	892,790	1,102,956
Australasia (3)	614,209	983,713
Canada	49,110	27,104
Other British Possessions in the Far East (4)	321,045	433,217
British Possessions in Africa (5)	76,427	75,078
Palestine	206,570	293,077
British Empire Total	8,930,919	10,283,498
Austria	257,105	376,527
Belgium	1,269,744	1,219,450
Chile	568,867	993,000
Czechoslovakia	360,018	469,926
France	1,971,464	3,097,814
Germany	1,912,604	2,536,803
Greece	622,709	668,580
Holland	286,259	392,027
Italy	2,438,772	2,890,331
Japan	2,152,188	1,535,282
Norway	600,237	301,030
Persia	542,180	183,268
Roumania	779,709	1,139,835
U.S.S.R.	715,665	439,985
Sweden	314,069	225,689
Switzerland	298,728	414,961
Syria	180,151	390,341
Turkey	459,158	765,793
United States	872,315	1,366,567
Total including other countries	27,425,691	31,528,167

(1) Malta, Cyprus, and Gibraltar.

(2) Including Aden.

(3) Australia and New Zealand .

(4) Ceylon, Straits Settlements, Hong Kong and British Borneo.

(5) Union of South Africa, British East and West Africa.

APPENDIX V

APPROXIMATE VALUE OF IMPORTS INTO EGYPT DURING THE
SIX MONTHS, JANUARY—JUNE, 1933.

							£E.
Total imports	...	...	...	...	...	...	12,626,316
of which from :							
United Kingdom	...	...	...	...	...	...	3,084,408
Belgium	...	...	...	...	...	...	627,274
France	...	...	...	...	...	...	900,851
Germany	...	...	...	...	...	...	1,084,342
Italy	...	...	...	...	...	...	1,010,492
Japan	...	...	...	...	...	...	1,317,933
U.S.A.	...	...	...	...	...	...	371,091
U.S.S.R.	...	...	...	...	...	...	256,155

NOTE.—It will be observed that Japan now takes second place, having passed above Italy and France.

APPENDIX VI

COTTON PIECE GOODS

QUANTITY OF COTTON PIECE GOODS IMPORTED IN 1931 AND 1932 DUTIABLE ON WEIGHT PER SQUARE METRE.

From.	Year	Grey sqr. metres	Bleached sqr. metres	Printed sqr. metres	Dyed in the yarn sqr. metres	Dyed in the piece sqr. metres	Percen- tage of total imports	Total sqr. metres
United Kingdom	1931	14,719,611	24,860,672	11,311,986	1,196,485	9,623,927	41.98	61,712,681
	1932	17,779,498	23,882,639	14,728,388	1,364,670	10,925,021	39.3	68,680,216
Belgium	1931	—	208,754	257,982	783,791	213,917	1.0	1,464,444
	1932	—	68,367	39,368	713,715	81,994	0.52	921,444
France	1931	—	—	1,149,437	89,348	299,194	1.04	1,537,979
	1932	—	—	688,938	62,642	144,930	0.51	896,510
Italy	1931	23,862	1,930,964	4,293,329	15,232,947	7,567,697	19.76	29,048,799
	1932	59,780	2,174,780	4,922,330	15,192,117	7,681,925	17.21	30,030,932
Japan	1931	19,231,172	1,415,488	1,526,482	20,700,624	2,045,330	30.56	44,919,096
	1932	24,792,948	7,573,686	6,221,501	25,655,162	3,597,360	38.89	67,840,657
Czechoslovakia	1931	—	—	1,263,523	206,023	104,500	1.07	1,574,046
	1932	—	—	717,810	67,928	44,789	0.47	830,527
Holland	1931	—	136,615	80,175	67,081	124,454	0.28	408,323
	1932	—	32,173	6,917	75,783	1,258		116,131
Total (including other countries)	1931	34,513,589	29,441,024	23,028,718	38,457,533	21,533,995		147,004,859
	1932	44,063,082	34,762,358	29,364,062	43,262,935	22,992,514		174,444,951

APPENDIX VII

COTTON PIECE GOODS.

VALUE OF COTTON PIECE GOODS IMPORTED IN 1931 AND 1932 DUTIABLE ON BASIS OF WEIGHT PER SQUARE METRE.

From	Year	Grey £E.	Bleached £E.	Printed £E.	Dyed in the Yarn £E.	Dyed in the Piece £E.	Total £E.
United Kingdom...	1931	136,940	447,851	343,056	41,137	319,731	1,288,715
	1932	164,859	381,486	390,077	51,191	314,229	1,301,842
Belgium ...	1931	—	6,625	7,133	25,143	8,563	47,464
	1932	—	1,997	1,180	24,486	4,105	31,768
France ...	1931	—	—	43,236	4,646	13,088	60,970
	1932	—	—	28,847	3,384	6,053	38,284
Italy ...	1931	549	56,989	140,641	471,870	215,086	885,135
	1932	1,476	64,181	149,776	478,055	213,084	906,572
Japan ...	1931	271,755	25,098	35,807	354,854	32,968	720,482
	1932	310,743	111,962	120,691	405,135	59,254	1,007,785
Czechoslovakia ...	1931	—	—	46,704	7,685	6,477	60,866
	1932	—	—	28,608	3,012	2,845	34,465
Holland ...	1931	—	3,715	3,175	1,726	4,510	13,126
	1932	—	1,170	331	1,932	66	3,499
Total (including other countries) ...	1931	423,114	555,608	724,794	914,605	643,090	3,261,211
	1932	492,049	577,891	774,759	973,802	615,814	3,434,315

APPENDIX VIII

COTTON PIECE GOODS MIXED WITH NATURAL SILK IMPORTED
DURING 1931 AND 1932, AND RETURNED BY WEIGHT AND LINEAR
METRES.

	Year	Kgs. Nett	Linear Metres	Total Value £E.
Over 15% natural silk ...	1931	22,651	29,202	24,539
	1932	10,444	3,392	10,006
Less than 15% natural silk ...	1931	1,154	11,077	2,163
	1932	959	940	949
Total Value	1931 ...	<u>£E.26,702</u>		
	1932 ...	£E.10,955		

APPENDIX IX

COTTON PIECE GOODS MIXED WITH ARTIFICIAL SILK IMPORTED IN 1931 AND 1932
RETURNED BY WEIGHT.

		Year	Kgs. nett	£E.	Total 1931	Total 1932
Mixed with over 15% artificial silk	United Kingdom	1931	66,617	30,936		
		1932	53,047	24,083		
	Austria ...	1931	3,130	1,741		
		1932	865	647		
	France ...	1931	13,523	11,413		
		1932	9,605	9,866		
	Germany...	1931	9,069	5,787		
		1932	2,306	2,056		
	Italy ...	1931	612,885	222,597		
		1932	191,277	80,303		
	Japan ...	1931	17,613	8,723		
		1932	27,504	9,706		
	Switzerland	1931	1,371	1,297		
		1932	310	231		
Mixed with 15% or less artificial silk ...	Others ...	1931	51,954	24,213		
		1932	16,221	8,177		
			Kgs. Nett Value £E.	...	776,162	301,135
				...	306,707	135,069
			Kgs. Nett Value £E.	...	174,937	158,625
				...	39,559	35,867

APPENDIX A—Continued

RETURNED BY LINEAR METRES.

		Year	Linear metres	Value £E.	Total 1931	Total 1932
Mixed with over 15% artificial silk ...	United Kingdom	1931	203,064	9,636		
		1932	31,048	1,762		
	Austria ...	1931	29,224	1,949		
		1932	3,079	296		
	Belgium ...	1931	43,130	3,497		
		1932	10,355	1,135		
	Czechoslovakia	1931	55,057	2,622		
		1932	—	—		
	France ...	1931	99,564	11,552		
		1932	11,757	1,585		
	Italy ...	1931	1,909,819	84,025		
		1932	164,433	9,299		
	Switzerland	1931	5,354	647		
Mixed with 15% or less artificial silk ...		1932	—	—		
	Others ...	1931	164,383	10,593		
		1932	11,861	974		
			Linear metres	Value £E. ...	2,509,595	232,533
					124,521	15,051
	Italy ...	1931	414,332	8,962		
		1932	4,465	161		
	Others ...	1931	53,417	1,784		
		1932	2,072	81		
			Linear metres	Value £E. ...	467,749	6,537
					10,746	242

APPENDIX X

COTTON PIECE GOODS, MIXED WITH METALLIC THREADS, ETC.
INCLUDING REMNANTS IMPORTED DURING 1931 AND 1932.

Year	Linear metres	Kgs. nett	Value £E.
1931	164,112	696,112	87,033
1932	13,559	644,796	68,879

APPENDIX XI

COTTON YARNS IMPORTED DURING 1931 AND 1932.

	Year	Quantity Kgs. Nett	Value £E.
Cotton Yarns, Single Unbleached	1931	1,123,327	71,896
	1932	205,621	16,624
„ Bleached	1931	105,087	8,839
	1932	46,052	3,984
„ Dyed or Printed	1931	20,002	2,567
	1932	16,362	2,037
„ Glazed unbleached, bleached, dyed or printed	1931	24	11
	1932	2,205	237
Folded Do.	1931	427,577	51,528
	1932	478,026	53,843
„ Glazed Do.	1931	46,050	8,896
	1932	64,658	12,611

WASTE OF COTTON YARNS IMPORTED IN 1931 AND 1932.

Year	Quantity Kgs. Nett	Value £E.
1931	759,182	16,498
1932	630,667	12,441

APPENDIX XII

COTTON ANTISEPTIC GAUZE (MEDICAL) IMPORTED IN 1931 & 1932.

From	Year	Kgs. Nett	£E.	Total Kgs. Nett	Total Value £E.
United Kingdom ...	1931	70,814	13,772	79,014	15,776
Others... ..	1931	8,200	2,004	—	—
United Kingdom ...	1932	49,306	8,603	—	—
Others... ..	1932	4,091	757	53,397	9,360

APPENDIX XIII

PURE WOOLLEN PIECE GOODS (WOOL OR HAIR) IMPORTED
DURING 1931 AND 1932.

From	Year	Quantity Kilos Nett	Quantity in Linear metres	Total Value £E.
United Kingdom	1931	127,594	242,824	160,380
	1932	171,749	254,757	177,906
Belgium	1931	3,629	25,407	8,573
	1932	5,897	7,652	4,937
France	1931	68,062	177,050	81,809
	1932	59,945	142,917	63,801
Italy	1931	19,947	69,776	34,914
	1932	32,044	91,402	41,401
Germany	1931	15,437	29,499	20,305
	1932	10,075	13,920	9,598
Czechoslovakia	1931	7,877	6,557	7,846
	1932	8,281	2,935	6,450
Austria	1931	2,029	3,775	2,724
	1932	289	2,884	904
Total (including other countries)	1931	273,618	590,772	337,374
	1932	302,678	549,747	317,232

APPENDIX XIV

WOOLLEN PIECE GOODS (WOOL OR HAIR) MIXED WITH COTTON
(COTTON WARP) IMPORTED DURING 1931 AND 1932.

From	Year	Quantity in Kilos Nett	Quantity in Linear Metres	Value in £E.
United Kingdom	1931	39,970	93,435	45,435
	1932	49,312	156,073	58,512
Belgium	1931	401	9,053	2,088
	1932	1,335	4,220	1,438
France	1931	5,415	34,685	10,323
	1932	8,285	28,463	10,701
Italy	1931	11,179	70,631	22,415
	1932	18,269	94,479	30,218
Germany	1931	4,603	9,502	3,610
	1932	2,006	2,727	1,499
Czechoslovakia	1931	—	—	—
	1932	—	—	—
Austria	1931	1,225	—	439
	1932	127	—	108
Total (including other countries)	1931	72,834	255,062	95,184
	1932	88,831	323,179	111,201

APPENDIX XV

IMPORTS OF INDIGO AND COAL TAR DYES IN 1931 AND 1932.

From	Year	Kilos Nett	Value £E.
<i>Indigo, Artificial.</i>			
United Kingdom	1932	61,079	10,021
	1931	26,253	4,182
France	1932	11,927	1,577
	1931	7,220	1,087
Germany	1932	89,893	9,725
	1931	52,955	5,634
Switzerland	1932	21,907	2,465
	1931	9,295	758
Totals	1932	184,806	23,968
	1931	95,723	11,661
<i>Coal Tar Dyes. Dry or in paste.</i>			
United Kingdom	1932	60,351	11,946
	1931	39,352	6,966
Belgium	1932	172	103
	1931	9,356	562
France	1932	11,819	2,387
	1931	6,122	1,070
Germany	1932	52,686	24,415
	1931	71,748	18,151
Italy	1932	20,245	4,233
	1931	12,750	1,881
Switzerland... ..	1932	9,266	3,059
	1931	8,325	1,462
Others	1932	453	125
	1931	822	143
Totals	1932	154,992	46,268
	1931	148,475	30,235

APPENDIX XVI

VALUE OF IMPORTS OF CERTAIN IRON AND STEEL GOODS.

From	Year	Bars, Iron or Steel (Also ITU profiles)	Iron rails, Fish- plates & Railway Sleepers	Sheets, Iron or Steel, Common	Sheets, Iron or Steel, Galvanised	Hoops, Iron or Steel	Pipes, non- malleable cast iron	Tubes, Pipes, Iron Steel or malleable cast iron, common, not perforated.	Tubes, pipes and Joints, Iron, Steel or malleable cast iron, coated tin, lead or zinc.	Structures, Iron or Steel.
		£E.	£E.	£E.	£E.	£E.	£E.	£E.	£E.	£E.
United Kingdom	1932	13,750	4,879	22,296	1,619	52,962	34,500	29,543	25,069	138,793
	1931	15,865	12,168	18,646	1,233	6,380	48,112	21,501	17,176	215,906
Belgium	1932	224,342	15,631	34,659	27,902	11,354	10,949	5,159	1,241	28,158
	1931	252,552	13,350	32,760	21,288	6,813	25,015	4,458	1,909	26,025
France	1932	21,078	4,024	5,160	—	—	21,787	3,364	—	15,209
	1931	77,827	53,664	11,717	—	—	50,446	20,462	—	22,493
Germany	1932	25,254	13,175	9,854	685	3,188	2,453	20,666	5,966	41,421
	1931	28,916	31,382	10,204	3,121	3,805	12,614	49,440	15,449	107,545
Holland	1932	—	—	—	—	—	—	1,095	—	2,407
	1931	—	—	—	—	65	—	2,505	—	16,280
Italy ...	1932	—	—	—	—	—	—	794	—	388
	1931	—	—	—	—	—	—	1,511	—	5,118
Switzerland	1932	—	—	—	—	—	—	—	—	928
	1931	—	—	—	—	—	—	—	—	2,124
U.S.A.	1932	—	—	—	—	—	—	2,591	9,208	339
	1931	—	—	—	333	—	—	4,834	13,464	6,187
Other Countries	1932	1,416	—	2	342	126	344	2,234	10,965	10,396
	1931	911	9,560	2,084	1,561	89	1,721	10,274	6,326	7,175
Totals	1932	285,840	37,709	71,971	30,548	67,630	70,033	65,446	52,449	238,039
	1931	376,071	120,124	75,411	27,536	17,152	137,908	115,045	54,324	108,853

APPENDIX XVII

IMPORTS OF LOCOMOTIVES AND TENDERS.

						1932 £E.	1931 £E.
Locomotives and tenders...	...	...	...	...	...	819	107,650
Locomotives, electric	...	...	...	...	...	—	100
Total	...	...	...	...	...	819	107,750

IMPORTS OF RAILWAY ROLLING-STOCK AND RAILWAY AND
TRAMWAY MATERIAL.

						1932 £E.	1931 £E.
Wagons, railway, for goods and post	...	...	...	...	...	878	7,950
Crane trucks, railway	...	...	...	...	...	—	857
Cars, sleeping, saloon and 1st and 2nd class	...	...	...	...	...	—	2,240
Cars, railway, not elsewhere specified	...	...	...	...	...	—	54,250
Cars, tramway, traction or trailer	...	...	...	...	...	—	1,303
Trolleys	...	...	...	...	...	1,155	6,459
Wheels, axles, hubs and grease boxes, for railway and and tramway material—							
United Kingdom	£E. 8,423	£E. 16,718					
Other Countries	£E. 11,683	£E. 22,575					
						20,106	39,293
Iron work, for railway rolling stock	...	...	...	...	...	1,552	6,112
Bodies, bogies, and parts	...	...	...	...	...	43,542	35,722
Brakes of all kinds	...	...	...	...	...	279	515
Apparatus, safety, railway and tramway	...	...	...	...	...	4,019	4,147
Signalling and warning apparatus	...	...	...	...	...	2,136	3,304
Total	...	...	...	...	...	73,667	162,152

APPENDIX XVIII

IMPORTS OF PNEUMATIC TYRES, TUBES, ETC., VALUE IN £E.

From	Year	Tyres, rubber, solid, for wheels £E.	Tyres, rubber, hollow, for automobiles £E.	Pneumatic tubes, rubber, for automobiles £E.	Tyres, rubber, hollow for motor-cycles and cycles. £E.	Pneumatic tubes, rubber, for motor-cycles and cycles. £E.
United Kingdom	1932	...	16,047	1,821	2,958	1,006
	1931	...	21,764	3,136	3,101	1,270
Belgium	1932	...	6,086	835	—	—
	1931	...	8,065	1,060	—	—
France	1932	...	18,025	4,357	1,193	291
	1931	...	10,930	3,441	1,553	759
Germany	1932	...	5,284	423	78	118
	1931	...	5,371	676	651	471
Italy	1932	...	42,483	4,964	—	—
	1931	...	34,332	3,928	—	—
U.S.A.	1932	...	33,219	4,301	—	—
	1931	...	43,242	5,477	—	—
Others	1932	...	54	38	2,354	1,244
	1931	...	1,111	162	1,583	1,061
Totals	1932	3,801	121,198	16,739	6,583	2,659
	1931	6,096	124,815	17,880	6,888	3,561

APPENDIX XIX

IMPORTS OF CERTAIN CLASSES MACHINERY AND APPARATUS.

	1932 £E.	1931 £E.	1932 £E.	1931 £E.
Boilers and generators, steam, from:				
United Kingdom	44,087	61,192		
Other countries	5,505	13,203		
			49,592	74,395
Economisers, non malleable cast iron ...			15,154	2,828
Heaters, superheaters, refrigerators, and the like			29,003	22,939
Engines, stationary, steam			73,538	104,939
Engines, stationary, internal combustion: from :				
United Kingdom	54,777	93,688		
Germany	60,334	35,714		
Switzerland	15,543	36,673		
France	2,687	6,069		
Other Countries	28,099	38,632		
			161,440	210,776
Agriculture and Horticulture machinery and Apparatus, from :				
United Kingdom	9,015	4,934		
Germany	4,296	1,319		
United States of America	2,096	3,525		
Other countries	1,693	3,041		
			17,100	12,819
Tractors			23,097	20,876
Machinery for flour milling and making bread and alimentary pastes			26,491	5,808
Total			395,415	455,380

APPENDIX XX

IMPORTS OF CERTAIN ELECTRICAL AND OTHER APPARATUS,
LAMPS, ETC.

	1931		1932	
	Quantity K.N.	Value £E.	Quantity K.N.	Value £E.
Apparatus, Electric, not elsewhere specified and Parts 1,000 K. or more :				
United Kingdom	315,859	49,971	87,633	14,399
Germany	5,060	1,026	34,379	6,620
Other countries	45,346	7,236	6,987	1,536
Total	366,265	58,233	128,999	22,555
Apparatus, Electric, not elsewhere specified and Parts, 250 K. to less than 1,000	267,653	45,143	49,493	9,457
Apparatus, Electric and Parts, 10 K. to less than 250 :				
United Kingdom	355,715	53,204	94,445	14,275
Belgium	42,596	4,692	62,277	23,054
France	64,508	20,837	17,171	6,884
Switzerland	16,590	3,779	8,254	3,305
Other countries	566,712	55,197	107,564	18,219
Total	1,046,121	137,709	289,711	65,737
Apparatus, Electric, not elsewhere specified and Parts, less than 10 K. :				
United Kingdom	135,402	23,520	100,143	14,790
France	68,897	15,752	43,432	11,995
Germany	79,169	16,214	129,001	27,375
Other countries	183,232	27,634	119,888	23,836
Total	466,700	83,120	392,464	77,996
Apparatus, Telegraph and Tele- phone, ordinary :				
United Kingdom	—	45,959	—	6,934
Other countries	—	9,580	—	1,563
Total	—	55,539	—	8,497
Apparatus, Telegraph and Tele- phone, Wireless :				
United Kingdom	—	12,788	—	12,904
France	—	824	—	623
Germany	—	6,070	—	7,060
Holland	—	3,658	—	8,486
United States	—	19,267	—	26,365
Other countries	—	3,424	—	4,064
Total	—	46,031	—	59,502

APPENDIX XX—*Continued*

	1931		1932	
	Quantity K.G.	Value £E.	Quantity K.G.	Value £E.
Cable, Electric, Insulated, Sub- marine and Subterranean :				
United Kingdom	235,134	11,084	174,005	7,325
Belgium	341,288	9,507	1,533,368	50,276
France	589,317	22,012	307,156	11,895
Germany	958,222	29,606	391,447	12,688
Holland	99,638	2,640	402,982	9,124
Italy	60,834	1,699	57,364	2,195
Other countries	73,574	2,575	18,421	826
Total	2,358,007	79,123	2,884,743	94,329
Lamps, Electric, Other :	K.N.		K.N.	
United Kingdom	4,766	4,045	12,263	8,348
Austria	9,876	8,553	3,690	2,855
France	3,956	3,182	2,476	2,557
Germany	8,625	7,824	2,638	2,860
Holland	20,234	15,424	15,360	10,939
Hungary	8,827	5,612	5,737	3,783
Japan	2,359	1,573	6,277	2,740
Other Countries	8,636	6,096	6,467	4,785
Total	67,279	52,309	54,908	38,867
Lamps, Electric, for Wireless Tele- graphy	2,299	5,449	1,678	6,746

Note :—

K.N. = kilogrammes net.

K.G. = kilogrammes gross.

APPENDIX XXI

IMPORTS OF :—

From	Motor Cycles and Sidecars £E.	Motor Cars and chassis £E.	Motor Lorries and chassis £E.	Parts and Accessories for automobiles, Motor cycles and Cycles £E.
United Kingdom ...1932	9,442	101,966	13,742	32,981
1931	13,535	202,358	6,366	34,162
France ...1932	—	15,367	1,121	11,167
1931	—	20,851	3,385	16,429
Germany ...1932	—	—	—	13,548
1931	—	—	—	14,714
Italy ...1932	—	24,328	—	11,752
1931	—	18,314	—	12,546
United States of America ...1932	—	85,121	21,480	29,403
1931	—	162,942	63,009	63,824
Other countries 1932	762	21,666	1,117	3,121
1931	774	1,996	3,633	3,966
Totals ...1932	10,204	248,448	37,460	101,972
1931	14,309	406,461	76,393	145,641

APPENDIX XXII

IMPORTS OF CEMENT AND LOCAL PRODUCTION.

	Total Import Metric tons	From United Kingdom Metric tons	Local Output Metric tons
1927	224,843	21,229	55,902
1928	250,925	41,597	60,000
1929	269,624	66,792	67,920
1930	192,303	72,011	187,857
1931	81,845	34,205	222,209
1932	105,647	57,293	270,000 (approx.)

QUANTITIES AND VALUES OF IMPORTS OF CEMENT IN 1931 & 1932.

Country	1931		1932	
	Quantity Metric Tons Gross	Value £E.	Quantity Metric Tons Gross	Value £E.
United Kingdom ...	34,205	69,915	57,293	122,517
Belgium	4,106	6,686	4,434	6,454
France	11,682	30,260	4,989	16,550
Germany	1,631	2,490	706	1,060
Italy	415	830	3,148	4,048
Poland	350	587	—	—
Yugoslavia	27,554	51,021	34,308	51,113
Other countries ...	1,902	3,070	769	1,426
Total ...	81,845	164,859	105,647	203,168

APPENDIX XXIII

IMPORTS OF VARIOUS OIL PRODUCTS SHOWING COUNTRIES OF ORIGIN.

	1932		1931	
	Quantity Kilos. net	Value £E.	Quantity Kilos. net	Value £E.
<i>Benzine and White Spirit :</i>				
Roumania	15,296,726	75,921	32,976,624	131,595
U.S.S.R.	6,311,475	29,456	2,526,476	12,683
United States	442	9	116,122	770
Dutch Possessions in the Far East	14,691,965	73,822	25,685,811	114,113
Other Countries	2,335,243	12,642	307,398	2,408
Total	38,635,851	191,850	61,612,431	261,569
<i>Kerosene :</i>				
Persia	18,044,181	38,880	23,348,816	43,133
Roumania	92,520,022	212,869	296,314,719	508,955
U.S.S.R.	97,883,524	211,784	8,534,469	12,004
Other countries	60,532,063	255,944	—	—
Total	268,979,790	719,477	328,198,004	564,092
<i>Oils, Lubricating :</i>				
United Kingdom	1,248,811	25,183	563,707	12,963
France	158,656	3,010	215,786	3,021
Germany	324,601	4,431	419,105	5,659
Roumania	8,805,440	82,219	8,152,999	73,235
United States	4,364,679	81,326	6,382,798	98,071
Other countries	415,170	7,462	359,343	4,130
Total	15,317,357	203,631	16,093,738	197,079
<i>Oils, Fuel, Diesel, Mazout, Gas and Solar :</i>				
	Metric tons net		Metric tons net	
British Borneo	16,938	22,662	4,394	5,998
Persia	63,283	85,990	46,907	74,680
Roumania	37,117	56,549	60,428	87,404
U.S.S.R.	46,665	69,748	31,195	43,223
Dutch Possessions in the Far East	156	257	13,386	21,503
Other countries	71	108	107	219
Total	164,230	235,314	156,417	233,027

APPENDIX XXIV

THE OUTPUT OF OIL PRODUCTS.

Products	Year	Home Production		Production from Imported Oil	
		Government Refinery	Anglo-Egyptian Oilfields	Government Refinery	Anglo-Egyptian Oilfields
Benzine ...	1931	M.T. 2,539	M.T. 64,318	M.T. —	M.T. 15,321
	1932	2,014	66,695	—	20,837
Kerosene	1931	1,639	6,852	—	16,166
	1932	1,750	644	—	17,417
Solar Oil	1931	—	13,123	—	422
	1932	—	13,126	—	282
Mazout ...	1931	7,965	130,932	3,237	47,810
	1932	10,009	96,739	1,586	50,969
Diesel Oil	1931	—	—	3,395	—
	1932	—	—	3,971	—
Asphalt	1931	—	40,124	—	546
	1932	—	58,175	—	13

APPENDIX XXV

SUMMARY OF VALUE OF EXPORTS FROM EGYPT BY CATEGORIES.

Categories	1932 £E.	1931 £E.	Increase or Decrease in 1932 £E.
1. Living animals and products of the animal kingdom	684,462	447,586	+ 236,876
2. Products of the vegetable kingdom	3,635,246	2,729,694	+ 905,552
3. Animal and vegetable fatty substances, greases, oils and waxes and alimentary fats	346,359	307,455	+ 38,904
4. Products of the food preparing industries, beverages, alcoholic liquids, vinegar and tobacco	1,140,428	1,106,053	+ 34,375
5. Mineral products	620,334	487,124	+ 133,210
6. Chemical and pharmaceutical products, colours, varnishes, perfumery, soap, candles, glue, gelatine, explosives and fertilizers	415,639	243,859	+ 171,780
7. Skins, hides, leather, furs and articles thereof	305,354	313,751	— 8,397
8. Rubber and manufactures thereof	1,317	35	+ 1,282
9. Wood, cork, articles thereof, and articles made of plaiting materials	7,450	12,926	— 5,476
10. Paper and its applications	72,184	60,752	+ 11,432
11. Textile materials and textiles	17,986,124	19,861,352	— 1,875,228
12. Footwear, hats, tarbooches, umbrellas, parasols and sticks; articles of fashion	3,869	3,672	+ 197
13. Wares of stone and other mineral materials, pottery, glass and glassware	1,768	1,025	+ 743
14. Precious metals, pearls, precious stones and coins	1,724,428	2,424,300	— 699,872
15. Common metals and manufactures thereof	18,069	46,200	— 28,131
16. Machinery and apparatus and electrical material	248	204	+ 44
17. Means of transport	893	558	+ 335
18. Scientific and precision instruments and apparatus, horological wares and musical instruments	1,465	2,162	— 697
19. Arms and ammunition	5	14	— 9
20. Miscellaneous goods and products not elsewhere included	6,413	5,751	+ 662
21. Works of art and articles for collections	15,362	19,157	— 3,795
Total of Exports	26,987,417	28,073,630	— 1,086,213

APPENDIX XXVI

VALUE OF EXPORTS TO PRINCIPAL COUNTRIES.

Country	1932 £E.	1931 £E.
United Kingdom	10,373,014	10,159,805
British Mediterranean Possessions ¹ ...	119,501	109,194
British India ²	932,790	1,268,661
Australasia ³	7,567	5,690
Canada	69,625	77,403
Other British Possessions in the Far East ⁴	45,460	66,817
British Possessions in Africa ⁵	12,151	10,276
Palestine	356,346	270,043
British Empire Total	11,916,454	11,967,889
 Austria	 155,693	 294,887
Belgium	218,616	210,484
Czechoslovakia	496,852	433,733
France	2,790,637	3,574,305
Germany	2,642,205	2,548,300
Greece	215,941	219,771
Holland	280,625	159,345
Italy	2,175,581	1,676,743
Japan	1,286,157	1,328,417
U.S.S.R.	135,996	1,697,743
Spain	1,019,148	1,104,618
Switzerland	728,612	984,193
Syria	287,639	251,997
United States	1,324,431	690,892
 Total including other countries	 26,987,417	 28,073,630

¹ Malta, Cyprus and Gibraltar.² Including Aden.³ Australia and New Zealand.⁴ Ceylon, Straits Settlements, Hong Kong and British Borneo⁵ Union of South Africa, British East and West Africa.

APPENDIX XXVII

APPROXIMATE VALUE OF EXPORTS FROM EGYPT DURING THE
SIX MONTHS, JANUARY—JUNE 1933.

				£E.
Total Exports ...	...	...	...	13,350,157
of which to :				
United Kingdom	...	...	...	5,271,947
France	...	...	...	1,761,939
Germany	...	...	...	1,169,252
Italy ...	...	...	...	967,814
Spain ...	...	...	...	503,906
Japan	...	...	...	623,042
U.S.A.	...	...	...	491,936

EXPORTS OF RAW COTTON—QUANTITY IN CANTARS. (One Egyptian Cantar equals 45 kilograms).

Destination	Year	Sakel	Ashmouni	Pilon	Other varieties	Totals
United Kingdom	1932	890,488	959,774	77,690	176,987	2,104,939
	1931	867,553	1,457,323	63,376	148,453	2,536,705
British India	1932	128,853	49,591	44,867	124,534	347,845
	1931	61,382	231,572	62,050	108,686	463,690
Austria	1932	9,713	39,827	4,151	1,582	55,273
	1931	9,613	56,895	529	564	67,601
Belgium	1932	20,684	18,490	—	1,969	41,143
	1931	6,490	55,087	—	570	62,147
China...	1932	9,434	35,015	22,900	3,702	71,051
	1931	6,631	45,765	20,235	13	72,644
Czechoslovakia	1932	32,741	100,400	4,849	39,690	177,680
	1931	21,087	111,143	4,100	22,388	158,718
France	1932	157,088	502,445	13,810	66,348	799,691
	1931	240,090	492,005	7,493	37,719	777,307
Germany	1932	59,642	605,274	131,066	59,283	855,265
	1931	34,785	545,303	105,633	36,290	722,011
Italy ...	1932	126,829	422,462	3,641	25,026	577,958
	1931	101,799	377,313	6,751	22,926	508,789
Japan	1932	105,757	210,063	11,817	75,306	402,943
	1931	100,469	271,960	21,795	70,696	464,920
Poland	1932	27,984	48,924	1,521	8,704	87,133
	1931	21,206	41,586	2,043	6,697	71,532
U.S.S.R.	1932	12,679	14,029	—	615	27,323
	1931	74,263	512,983	435	2,569	590,250
Spain	1932	65,380	228,021	13,922	10,191	317,514
	1931	71,522	267,796	12,733	6,092	358,143
Switzerland ...	1932	50,603	114,968	16,197	55,250	237,018
	1931	45,163	152,405	12,211	69,628	279,407
United States	1932	216,653	162,581	22,887	2,904	405,025
	1931	71,133	102,523	6,821	6,027	186,504
Totals (including other countries)	1932	1,923,958	3,731,447	373,085	670,055	6,698,545
	1931	1,744,193	4,776,895	330,154	545,588	7,396,810

APPENDIX XXIX

EXPORTS OF RAW COTTON—VALUE IN £E. (£E.1 equals £1.06d.)

Destination	Year	Sakel	Ashmouni	Pilon	Other Varieties	Totals
United Kingdom ...	1932	2,531,750	2,311,826	198,113	485,704	5,527,393
	1931	2,571,177	3,337,324	155,464	405,239	6,469,204
British India ...	1932	339,683	113,742	114,986	324,447	892,858
	1931	176,451	566,388	166,025	309,402	1,218,266
Austria ...	1932	29,029	98,384	11,675	3,948	143,036
	1931	31,249	138,428	1,236	1,588	172,501
Belgium ...	1932	62,132	47,054	—	6,128	115,314
	1931	18,115	131,451	—	1,514	151,080
China... ..	1932	25,288	86,444	54,898	10,607	177,237
	1931	18,008	114,408	45,033	31	177,480
Czechoslovakia ...	1932	103,397	265,058	13,701	114,569	496,725
	1931	69,644	281,436	12,115	70,269	433,464
France ...	1932	543,992	1,420,655	36,059	190,940	2,191,646
	1931	1,006,816	1,210,490	20,253	110,083	2,347,642
Germany ...	1932	193,065	1,570,685	355,606	151,118	2,270,474
	1931	118,944	1,333,785	267,695	108,409	1,828,833
Italy ...	1932	414,200	1,039,389	9,974	56,256	1,519,819
	1931	338,656	901,045	18,991	61,662	1,320,354
Japan ...	1932	306,594	539,287	28,667	204,133	1,078,681
	1931	294,696	660,708	50,898	206,860	1,213,162
Poland ...	1932	81,891	122,621	4,280	23,606	232,398
	1931	75,972	102,814	6,293	20,676	205,755
U.S.S.R. ...	1932	74,571	57,213	—	4,181	135,965
	1931	392,614	1,288,249	1,430	15,407	1,697,700
Spain ...	1932	201,505	553,382	36,879	29,047	820,813
	1931	249,476	663,393	34,134	18,497	965,500
Switzerland ...	1932	158,730	297,925	41,141	160,225	658,021
	1931	156,115	373,357	32,499	212,184	774,155
United States ...	1932	648,664	421,342	62,381	9,382	1,141,769
	1931	221,860	253,475	20,454	18,202	513,991
Totals (including other countries) ...	1932	5,743,544	9,318,831	979,304	1,825,015	17,866,694
	1931	5,777,715	11,492,144	842,969	1,575,241	19,688,069

APPENDIX XXX

PRODUCTION OF MINERALS, ETC., IN EGYPT.

Mineral or Metal	Unit	1932	1931
Phosphate Rock	M. Tons	349,780	257,011
Petroleum	"	270,792	289,419
Manganese Iron Ore	"	327	101,781
Lead & Zinc Ores	"	Nil.	Nil.
Nickel Ore	"	"	"
Peridots	"	"	"
Sulphate of Alumina	"	"	"
" Magnesia	"	"	"
Gold, fine	Ozs.	16	"
Carbonate & Sulphate of Soda ...	M. Tons.	750	800
Ochre	"	302	861
*Nitrate Shale	"	1,581	2,645
Talc	"	232	—
Felspar	"	179	—
Potassic Salts	"	8	—
Ilmenite	"	487	—
Magnetite	"	25	—
Clay	"	1,711	—

* Partial production, complete returns not available.

APPENDIX XXXI (a)

PROSPECTING PERMITS

Permits	Granted		Cancelled	
	No.	Area in feddans	No.	Area in feddans
Permits for prospecting for minerals ...	7	2,240	22	7,040
Permits for prospecting for special minerals	—	—	4	1,280
Contracts for exploitation	2	125	3	224
Protective zones for exploitation contracts	2	248	2	428
Contracts for the laying of pipe lines ...	1	685m.l.	—	—
Permits for prospect of petroleum fields	—	—	1	988
Total	12	2,613 feddans & 685 linear metres	32	9,960

APPENDIX XXXI (b)

EXPORTS OF PHOSPHATE AND MANGANESE

Year	Phosphate	Manganese
	Tons	Tons
1928	169,055	126,901
1929	223,923	211,811
1930	313,673	72,632
1931	200,678	24,100
1932	421,000	36,695

APPENDIX XXXI (c)

MINERAL PRODUCTS

Year	Value of Products According to Sale Prices.			
	Petroleum Products	Phosphate	Manganese	Red Lead and Oxide of Iron
	£E.	£E.	£E.	£E.
1928 ...	536,646	141,843	197,615	472
1929 ...	408,171	154,045	231,678	508
1930 ...	427,632	209,716	168,095	592
1931 ...	290,000	163,440	126,824	425
1932 ...	270,792	211,641	1,872	151

APPENDIX XXXI (d)

QUARRIES UNDER EXPLOITATION

Year	Number of Quarries	Fees & Rents
		£E.
1929	1,488	23,226
1930	1,437	24,445
1931	1,409	21,388
1932	1,165	20,979

APPENDIX XXXII

NOTE ISSUE.

From 1st Sept. to 31st Aug.	Maximum £E.	Minimum £E.	Average of the year. £E.
1922-1923	35,900,000	24,000,000	29,949,000
1923-1924	38,700,000	24,600,000	32,156,000
1924-1925	42,400,000	28,300,000	35,901,000
1925-1926	38,400,000	25,300,000	32,353,000
1926-1927	30,700,000	24,400,000	27,856,000
1927-1928	33,600,000	22,300,000	27,817,000
1928-1929	33,900,000	22,000,000	28,169,000
1929-1930	30,200,000	20,500,000	25,900,000
1930-1931	24,900,000	18,100,000	20,814,094
1931-1932	21,100,000	17,500,000	19,667,449

APPENDIX XXXIII

COMPARATIVE QUOTATIONS OF PRINCIPAL STOCKS & SHARES.

	Price 31.12.31	Price 30.12.32	Increase
Egyptian Government —			
Unified Debt 4%	£ 80½	98½	18½
Privileged 3½%	£ 70½	87	16½
Tribute Loan 3½%	£ 79	94½	15½
" " 4%	£ 85	98½	13½
Credit Foncier Egyptien. Shares Ord.	Fcs. 406½	643	236½
" " " Founders	1,025	1,370	345
Land Bank of Egypt. Ord. Shares ...	£ 4½	5½	1½
" " " Founders ...	£ 40	53	13
Agricultural Bank of Egypt—			
Ord. shares	£ 5½	6½	1½
" " " Founders	£ 400	480	80
National Bank of Egypt. Shares ...	£ 20½	29½	8½
Banque Misr. Shares	£E. 4½	4½	½
Cassa di Sconto e di Risparmio.			
Shares	Fcs. 101	109	8
S.A. Wada Kom Ombo. Shares, Ord.	£ 4½	4½	½
" " " Founders ...	£ 18	21½	3½
S. A. du Behera. Ord. Shares ...	£E. 10½	11½	1½
Union Foncière d'Egypte. Ord. shares	£ 1½	2½	½
Aboukir Co. Ltd. Ord. shares ...	£ 0.9.6d.	11/9d.	2.3d.
New Egyptian Co. Ord. shares ...	14/3d.	19/3	5.0d.
Cairo Electric Rlys. & Heliopolis.			
Oasis Coy. Shares	Fcs. 260	310	50
Cairo Water Coy. Capital	" 101	121	20
" " " Jouissance	" 276½	371	94½
Alexandria Tramways	" 290	303	13
Cairo Tramways	" 101	107	6
Filature Nationale d'Egypte. Ord.			
Shares	£ 2½	4½	2½
The Egyptian Salt & Soda Co. Ltd. ...	£ 1.1.6d.	1.12.4½	10/10½d.
Egyptian Markets. Ord. shares ...	£ 1.1.6d.	1.5.6½d.	4/0½d.
Sucreries & Raffineries d'Egypte—			
Shares	Fcs. 80	155½	75½
Founders	£E. 3½	4½	1½
Grands Hotels d'Egypte (Ex Nun-			
govitch)	£ 11½	15½	4½
Upper Egypt Hotels	£ 1½	1½	½
Egyptian Hotels Co. Ltd.	£ 1½	1½	½

APPENDIX XXXIV

LIST OF SUBSIDIARY COMPANIES OF THE BANQUE MISR.

	Capital subscribed and paid up £E.
Imprimerie Misr.	50,000
Société Misr pour l'Industrie du papier	30,000
Société Misr pour le Theatre et le cinéma	15,000
Société Misr pour le Tissage de la Soie (Damietta factory)	75,000
Société Misr pour le Lin	45,000
Société Misr Airwork	20,000
Société Misr pour les Pêcheries	75,000
Société Misr pour l'exportation du Coton (with special correspondents at Bâle, Zurich, Dresden, Liverpool, Bombay, New York, Osaka and Shanghai)	160,000
Société Misr pour l'égrenage du Coton (factories at Mansourah, Mehalla el Koubra, Benha, Wasta, Fayoum, Tamia, Maghagha, Guirgueh)	250,000
Société Misr pour la Filature et le Tissage du Coton (factory at Mehalla el Kobra)	450,000
Société Misr pour le Transport et le Navigation ...	150,000

APPENDIX XXXV

LIST OF LEADING BANKS ESTABLISHED IN EGYPT.

	Nationality	Capital
National Bank of Egypt Ltd.	Egyptian	£E.2,925,000
Crédit Foncier Egyptien	"	£E.3,857,500
Barclays Bank (D.C. & O.)	British	£6,975,000
Ionian Bank	"	£1,000,000
Ottoman Bank ... ..(Turkish, under British Administration in Egypt)		£10,000,000
Crédit Lyonnais	French	Frs.408,000,000
Banque Belge et Internationale en Egypte S.A.	Local	£E.1,000,000
Comptoir National d'Escompte de Paris ...	French	Frs.400,000,000
Banco Italo-Egiziano—S.A.E.	Italian	£1,000,000
Banca Commerciale per l'Egitto e il Levante—S.A.E.	"	£E.1,000,000
Dresdner Bank	German	R.M.250,000,000
Yokohama Specie Bank	Japanese	Yen.100,000,000
Agricultural Bank of Egypt	Egyptian	£E.3,740,000
Mortgage Co. of Egypt Ltd.	British	£E.1,250,000
Banque Misr	Egyptian	£E.1,000,000
Crédit Agricole	"	*£E.1,000,000
Crédit Hypothécaire	"	£E.1,000,000
	(provided by Egyptian Government)	
Commercial Bank of Egypt—S.A.E. ...	Egyptian	£E.150,000
Banque d'Athènes	Greek	Drs.100,800,000
Banque d'Orient	"	Frs.35,000,000
The Arabian National Bank of Hedjaz ...	Arabian	£E.200,000
Turkiye is Bankasi (Misr Is)	Turkish	L.T.100,000
Banque Nationale de Grèce	Greek	Drs.1,205,000,000
Cassa di Sconto e di Risparmio	Italian	£E.347,000
Land Bank of Egypt	Egyptian	£E.975,000
Société Foncière d'Egypte	Egyptian	£E.113,000
Commercial Bank of the Near East Ltd. S.A.	British	£200,000
Société Anonyme des Monts de Piété Egyptiens	French	Frs.5,000,000
Caisse Hypothécaire d'Egypte Société Anonyme	Belgian	Frs.10,000,000

* Of which £E.500,000 was subscribed by the Egyptian Government and
£E.500,000 by the banks and establishments interested in Agriculture.

APPENDIX XXXVI

**POSITION OF THE EGYPTIAN GOVERNMENT RESERVE FUND
AT THE CLOSE OF THE FINANCIAL YEAR 1931-1932.**

	Reserve Fund		Total
	Frozen	Liquid	
	£E.	£E.	£E.
* Investments	500,000	16,684,868	17,184,868
Raw cotton holdings	8,696,400	—	8,696,400
Advances to agriculturists and advances on cotton	2,948,988	—	2,948,988
Advances to the Crédit Agricole d'Egypte	1,285,251	—	1,285,251
Advances to proprietors of agricultural land	763,022	—	763,022
Funds reserved for advances to industrial companies	742,763	—	742,763
Funds reserved for advances to Co- operative Societies	251,258	—	251,258
Cash	—	1,518,707	1,518,707
	15,187,682	18,203,575	33,391,257

* Investments in Egyptian Public Debt. ...	£E. 9,358,033
„ „ British Government Stock	£E. 6,786,400
„ „ Other stocks	£E. 540,435
	<u>£E. 16,684,868</u>

APPENDIX XXXVII

ARRIVALS OF SHIPPING BY NATIONALITIES AT THE PRINCIPAL EGYPTIAN PORTS, AND CARGO AND PASSENGERS LANDED. (YEAR 1932).

Port	Number of vessels	Net. regd. tonnage	Tons of cargo landed		Passengers disembarked	
			For Egypt	Transits	For Egypt	Transits
ALEXANDRIA.						
British ...	439	965,419	825,455	18,416	2,605	342
Egyptian ...	113	95,892	90,144	174	60	—
French ...	119	624,278	23,359	183	6,626	382
German...	112	230,400	207,462	215	119	13
Greek ...	232	309,857	350,223	2,477	5,542	143
Italian ...	417	1,152,477	218,665	16,648	15,169	657
American ...	80	474,368	35,352	1,279	1,671	25
PORT SAID.						
Suez Canal Non-Transits						
British ...	235	443,817	13,949	230,946	2,064	318
Egyptian ...	44	48,253	3,296	558	8	1
French ...	40	165,018	4,297	1,135	126	2
Greek ...	84	101,097	1,538	59,241	987	307
Italian ...	109	245,786	1,965	83,869	125	16
Suez Canal Transits.						
British ...	1,415	7,438,992	91,187	334,794	8,321	1,685
Dutch ...	249	1,448,188	5,090	15,911	1,322	150
French ...	222	1,237,181	4,573	15,453	1,349	1,070
German...	388	1,700,618	11,978	51,862	374	153
Italian ...	236	1,106,887	6,007	24,131	973	936
Japanese ...	130	682,837	2,821	47,384	536	180
American ...	58	283,470	859	9,717	70	29
Danish ...	67	292,606	2,476	2,670	23	4
Norwegian ...	68	241,246	4,384	9,367	74	8

SUEZ.									
<i>Suez Canal Non-Transits.</i>									
British ...	...	...	...	234	250,426	375,723	3,210	4,023	1,429
Italian ...	...	...	...	55	66,977	6,301	4,938	589	48
Norwegian ...	...	...	...	16	55,632	97,010	—	—	—
<i>Suez Canal Transits.</i>									
British ...	...	...	...	777	3,938,396	28,302	1,496	289	34
Dutch ...	...	...	...	176	938,151	6,355	901	41	4
French ...	...	...	...	144	815,485	5,778	—	57	17
German...	...	...	...	194	853,743	3,834	60	43	8
Italian ...	...	...	...	185	781,305	2,551	872	150	17
Japanese	...	...	...	70	379,613	6,621	199	14	—
Norwegian	...	...	...	39	145,360	279	—	6	—
American	...	...	...	49	246,758	4,541	84	101	2
GRAND TOTAL (including other nationalities and smaller ports)									
Of which	...	...	...	8,017	29,979,295	3,292,414	1,142,342	71,969	8,813
British ...	...	...	...	3,386	13,268,994	1,338,778	588,862	24,341	3,808

APPENDIX XXXVIII

 Ministry of Communications

PORTS AND LIGHTHOUSES ADMINISTRATION

 Circular to Shipping No. 19/1933

Notice is hereby given that from 15th June, 1933, ships arriving at the Port of Alexandria will be treated as follows as regards Port dues :—

1. *Tourist ships :*

A due of one milieme per ton of the International tonnage of the Tourist ship per day during her sojourn, will be charged, exempting her from this due the first day provided she does not carry out any commercial operation.

2. *Commercial ships :*

(a) A ship arriving with cargo in transit and discharging the whole or part of the same in port but carrying out no loading operation whatever, will be treated on arrival as loaded and on departure as in ballast.

(b) A ship arriving with cargo in transit and discharging nothing in Port but carrying out loading operation, will be treated on arrival as in ballast and on departure as loaded.

(c) A ship arriving with cargo in transit and carrying out no discharging or loading operations, whatever, will be treated as in ballast on arrival and departure.

(d) A ship arriving with cargo in transit and discharging the whole or part of same and carrying out loading operation, will be treated as loaded both on arrival and departure.

Note : The word " cargo " applies to " merchandise and passengers."

3. This treatment is only temporary until further orders.

Alexandria, 6th June, 1933.

G. A. WELLS,
Director General.

APPENDIX XXXIX

TRADE MOVEMENT BETWEEN EGYPT AND THE SUDAN.

	1932 £E.	1931 £E.
Imports into Egypt from the Sudan :—		
Living animals	10,527	21,657
Fish	17,056	11,005
Milk, Dairy products, eggs, etc.	19,719	15,250
Vegetables, plants, roots, etc.	18,870	24,540
Dates	22,267	24,456
Coffee beans, pepper, etc.	14,677	7,461
Ground Nuts	1,121	16,309
Sesame	88,828	72,550
Other oleaginous seeds and grains	14,388	13,514
Fruits for dyeing and tanning	4,136	3,722
Gum Arabic	2,885	4,675
Cinema Films, developed, positive	27,813	32,078
Hides and skins	1,731	2,637
Cotton	2,207	2,054
Total, including other articles not shown above ...	334,519	392,388
Exports from Egypt to the Sudan :—		
Milk, Dairy products, eggs, etc.	1,792	2,543
Vegetables, plants, roots, etc.	6,427	5,808
Edible fruits	3,441	4,370
Cereals	10,317	3,859
Cotton seed	9,709	26,281
Other seeds	2,296	1,640
Cotton seed oil	1,678	3,748
Sugar	7,273	39,729
Confectionery	11,515	13,430
Cigarettes	76,384	105,589
Benzine, kerosene, lubricating oils	2,873	6,630
Chemical & pharmaceutical products	3,074	2,582
Cinema Films, developed, positive	27,354	31,221
Soap, candles, etc.	30,798	3,943
Hides, skins and leather	5,066	4,560
Rubber manufactures	1,604	1,553
Wood and furniture	3,334	6,797
Paper, cardboard, etc.	4,349	4,428
Booksellers' Wares	2,893	2,559
Silk, Floss-Silk and Art. Silk	3,561	4,400
Wool, Horse and other animal hair	3,220	4,204
Cotton piece goods	65,138	37,575
Ready-made clothing, household linen, etc.	29,584	47,830
Footwear	3,308	6,976
Stoneware, pottery and glassware	2,062	4,053
Common metals, etc.	9,113	16,373
Machinery, etc.	3,694	6,230
Means of Transport	49,115	34,457
Postal parcels	108,270	146,342
Total, including other articles not shown above ...	565,477	634,390

APPENDIX XXXIX—*continued*SUMMARY OF TRADE MOVEMENT BETWEEN EGYPT AND THE
SUDAN—1929—1932.

Imports into Egypt from the Sudan :—

						£E.
1929	...	...	...	...	...	533,000
1930	...	...	...	...	...	552,000
1931	...	...	...	...	...	392,000
1932	...	...	...	...	...	334,000

Exports from Egypt to the Sudan :—

						£E.
1929	...	...	...	...	...	1,363,000
1930	...	...	...	...	...	1,117,000
1931	...	...	...	...	...	634,000
1932	...	...	...	...	...	565,000

REPORTS by H.M. Trade Commissioners, Commercial, Diplomatic and Consular Officers on commercial and financial conditions in the foreign countries, issued, or in course of preparation, by the Department of Overseas Trade.

A.—During the year 1931.

Bolivia ...	1s. 0d. (1s. 1d.)	Finland ...	2s. 0d. (2s. 1d.)
British Malaya ...	2s. 0d. (2s. 2d.)	Mexico ...	1s. 6d. (1s. 7d.)
Canary Islands ...	1s. 9d. (1s. 11d.)	Palestine ...	1s. 6d. (1s. 7d.)
Denmark ...	2s. 0d. (2s. 2d.)	Peru ...	2s. 6d. (2s. 7d.)

B.—During the year 1932.

No.		No.	
516	Angola ... 1s. 6d. (1s. 7d.)	504	Morocco ... 2s. 0d. (2s. 1d.)
505	Argentina ... 4s. 0d. (4s. 2d.)	512	Netherlands ... 3s. 6d. (3s. 7d.)
509	Belgium ... 3s. 6d. (3s. 8d.)	501	Netherlands E. Indies ... 3s. 6d. (3s. 7d.)
506	Brazil ... 2s. 6d. (2s. 8d.)	527	New Zealand ... 3s. 0d. (3s. 1d.)
526	British E. Africa ... 2s. 9d. (2s. 11d.)	514	Norway ... 2s. 3d. (2s. 4d.)
510	British W. Indies ... 3s. 0d. (3s. 2d.)	511	Poland ... 2s. 0d. (2s. 1d.)
517	Bulgaria ... 2s. 6d. (2s. 8d.)	528	Portugal ... 3s. 0d. (3s. 1d.)
508	Canada ... 4s. 6d. (4s. 10d.)	525	Roumania ... 2s. 6d. (2s. 7d.)
533	Chile ... 1s. 6d. (1s. 7d.)	502	Salvador ... 1s. 0d. (1s. 1d.)
518	Cuba ... 1s. 0d. (1s. 1d.)	531	Southern Rhodesia ... 1s. 6d. (1s. 7d.)
515	Estonia ... 9d. (10d.)	523	Sweden ... 2s. 0d. (2s. 1d.)
507	Ethiopia ... 1s. 0d. (1s. 1d.)	522	Switzerland ... 1s. 6d. (1s. 7d.)
500	Germany (Jan.) ... 4s. 0d. (4s. 4d.)	524	Syria ... 1s. 6d. (1s. 7d.)
529	Germany (Nov.) ... 4s. 6d. (4s. 9d.)	519	Turkey ... 1s. 6d. (1s. 7d.)
503	India ... 3s. 6d. (3s. 10d.)	530	Venezuela ... 1s. 6d. (1s. 7d.)
532	Italy ... 2s. 6d. (2s. 8d.)	521	Yugoslavia ... 1s. 0d. (1s. 1d.)
520	Latvia ... 1s. 0d. (1s. 1d.)		
513	Lithuania ... 1s. 0d. (1s. 1d.)		

C.—During the year 1933.

No.		No.	
545	Algeria, Tunisia & Tripolitania ... 3s. 6d. (3s. 8d.)	557	India ... 3s. 6d. (3s. 7d.)
551	Argentina ... 5s. 0d. (5s. 3d.)	559	Iraq ... 1s. 6d. (1s. 7d.)
547	Australia ... 4s. 6d. (4s. 9d.)	558	Italy ... 5s. 0d. (5s. 1d.)
556	Austria ... 2s. 0d. (2s. 2d.)	541	Japan ... 3s. 6d. (3s. 7d.)
	Belgian Congo (<i>In preparation</i>)	549	Netherlands ... 3s. 6d. (3s. 7d.)
546	Belgium ... 4s. 0d. (4s. 2d.)	550	Netherlands E. Indies ... 4s. 6d. (4s. 7d.)
539	Brazil ... 3s. 0d. (3s. 2d.)	552	Newfoundland ... 2s. 0d. (2s. 1d.)
554	Canada ... 5s. 0d. (5s. 3d.)	536	Panama ... 1s. 0d. (1s. 1d.)
548	Czechoslovakia ... 2s. 0d. (2s. 1d.)	534	Philippines ... 1s. 6d. (1s. 7d.)
535	Ecuador ... 1s. 6d. (1s. 7d.)	537	Portuguese East Africa ... 2s. 6d. (2s. 7d.)
	Egypt ... (<i>see cover</i>)	555	Roumania ... 2s. 6d. (2s. 7d.)
	French West Africa ... (<i>In preparation</i>)	543	Siam ... 1s. 6d. (1s. 7d.)
553	Germany ... 4s. 6d. (4s. 9d.)		South Africa ... (<i>In preparation</i>)
538	Guatemala, Honduras and Nicaragua ... 3s. 0d. (3s. 2d.)	542	Spain ... 2s. 0d. (2s. 1d.)
540	Hungary ... 2s. 0d. (2s. 1d.)	544	United States ... 4s. 0d. (4s. 1d.)
			Uruguay ... (<i>In preparation</i>)

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